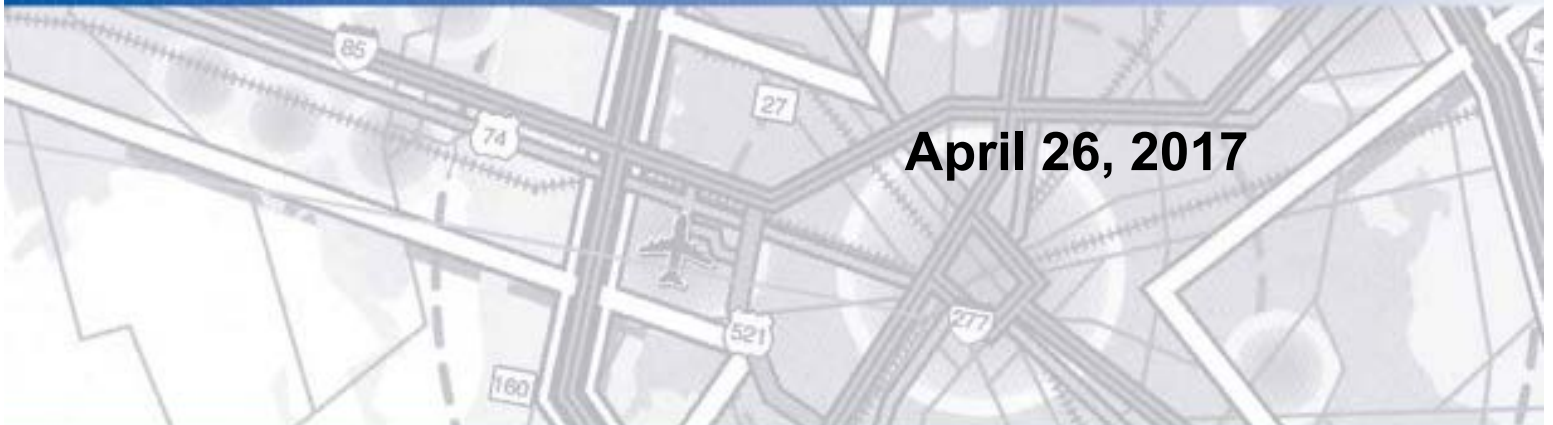


Metropolitan Transit Commission



April 26, 2017

METROPOLITAN TRANSIT COMMISSION

Wednesday, April 26, 2017

5:30pm

Charlotte Mecklenburg Government Center

Room 267

AGENDA

- I. Call to OrderMayor Jennifer Roberts
- II. Approval of the March 22, 2017 SummaryMayor Jennifer Roberts
- III. Report from the Chair of the Transit Service Advisory Committee (TSAC) ... Michael Warner
- IV. Report from the Chair of the Citizens Transit Advisory Group (CTAG)..... Matt Covington
- V. Public Comments
- VI. Action Items
 - Approve FY2018 Operating Budget and Programs;..... John Lewis Jr
FY2018-22 Debt Service Budget & FY2018-2022 Community Investment Plan
 - MTC Letter to Congressional Delegation on President’s Budget John Lewis Jr
 - June 2017 Service Adjustments Larry Kopf
- VII. Information Items
 - North Corridor Mobility StudyJason Lawrence
 - CATS Fleet Coordination Olaf Kinard
- VIII. Chief Executive Officer’s Report John Lewis, Jr
- IX. Other BusinessMayor Jennifer Roberts
- X. Adjourn

METROPOLITAN TRANSIT COMMISSION

MEETING SUMMARY

March 22, 2017

Presiding: Jennifer Roberts (Mayor, City of Charlotte)

Present:

Ella Scarborough (Chair, Mecklenburg County Commission)
Marcus Jones (Charlotte City Manager)
Michael Warner (TSAC Chair)
Matt Covington (CTAG Co-chair)
Tracy Dodson (NCDOT Representative)
Mayor Chuck Travis (Cornelius)
Anthony Roberts (Cornelius Town Manager)

Mayor John Woods (Davidson)
Mayor John Aneralla (Huntersville)
Bill Coxe (Huntersville Town Planner)
Mayor Jim Taylor (Matthews)
Brian Welch (Mint Hill Town Manager)
Mayor Jack Edwards (Pineville)
Bill Thunberg (Mooresville Representative)

Chief Executive Officer: John Lewis, Jr.

I. Call to Order

The regular meeting of the Metropolitan Transit Commission was called to order at 5:35 p.m. by MTC's Chairman, Mayor Roberts.

II. Review of Meeting Summary

The meeting summary of February 22, 2017 was approved as written.

III. Transit Services Advisory Committee (TSAC) Chair's Report

Michael Warner

Mr. Warner reported that TSAC met on March 9, 2017 and received an update on the LYNX Blue Line Extension (BLE) opening date change. Staff addressed TSAC's questions, including questions on the change's impact on the budget, the working relationship with UNC Charlotte and bus-rail connections that will be implemented as part of the Envision My Ride program. Staff also presented the fiscal FY17-18 budget overview presented here last month. TSAC also reviewed anticipated service changes.

IV. Citizens Transit Advisory Group (CTAG) Chair's Report

Matt Covington

Mr. Covington reported that CTAG met on March 21, 2017 and received an update on the BLE date change. CTAG members discussed the impact of the fare box installations in 2016. The average fare collected per rider went up \$0.20, which is important to consider when contemplating fare increases. Perhaps we could think instead of alternative ways to increase the average fare collected per rider instead of increasing the overall rate. CTAG also received updates on the new bus and Special Transportation Service (STS) fleet and a talk on the Envision My Ride process. CTAG members also discussed fare evasion. There is a common misconception in Charlotte that people are not paying for their light rail ride. During Mr. McElveen's presentation on security, he explained that there is heavy security and enforcement on the LYNX Blue Line. Last year, 6,616 citations and 5,449 warnings were issued last year. If CATS considers a fare increase next year and part of the pushback is on people not paying fares, these numbers

on enforcement could be useful. There was discussion on comparing the numbers for CATS' enforcement measures with those of other systems to see if they are comparable. CTAG members also discussed the bus routes going north and what we can do to standardize facilities for the bus stops going north, including how to get sidewalks and amenities that support the stops. CTAG will meet next month to discuss and make a recommendation on the budget.

Discussion: Mayor Roberts asked about the average fare collected. Mr. Lewis clarified that the point was about the average fare per rider in the last year was around \$1.06. When CATS considered raising rates this year, staff suggested it would be prudent to raise the average fare rather than the top fare. The fare box updates helped that, as did changes to eliminate some of the ticket discounts in the fare policy. Normally, CATS would consider a \$0.20 to \$0.25 fare increase. In the first two quarters, we have more than made that up between the fare box installations and the discount eliminations to raise the average fare. We have brought in the same amount of money as a fare increase without imposing a higher fare on customers. This was achieved through fewer discounts and more collections without having broken fare boxes.

V. Public Comments

None

VI. Action Items

None

VII. Information Items

a. Performance Scorecard/ Customer Satisfaction

John Lewis, Jr./ Mark Aesch

Mr. Lewis introduced Mr. Aesch, the Principal of TransPro Associates. Mr. Lewis said that CATS spends a lot of time providing information to various agencies on CATS' services. The metrics are based primarily on outputs such as how many miles vehicles travel between overhauls. The impact those have on the individual waiting on a bus is probably negligible. CATS wanted to pivot from measuring outputs to measuring outcomes. Over the last several months, staff has focused on developing the CATS TRAX measurement program. TransPro has conducted several surveys to find out what is important to our customers. Mr. Aesch said that he wanted to take MTC through three topics: bus, rail and how they fit into a CATS scorecard. TransPro specializes in public transportation, and works with about 35 agencies to measure transit satisfaction. Customer *service* is what we do to people; customer *satisfaction* is how people feel about what was done. The objective is that people are satisfied and want to come back.

The first wave of surveys was completed in June 2016; the second wave in February 2017. There were 505 completed customer surveys on buses and 511 surveys on trains. CATS' customer base skews young, with 72 percent between 18 and 49. Almost 50 percent of the bus customer base is making the conscious choice to use bus service, with 84 percent of CATS customers using the bus at least 3 days per week. Net Promoter Score (NPS) poses the question of on a scale of 1 to 10, how likely are people to recommend that a friend or neighbor ride a CATS bus. Promoters are people who would answer that with a 9 or a 10. Detractors would answer that in the 1-6 score range. The NPS is the percent of promoters minus the percent of detractors. Nationally, transit agencies rank with NPS scores at about 12 percent. CATS' NPS for the bus system is 61 percent. In more than 35 systems TransPro surveyed nationwide, only one score has been one point higher. Very few people are saying

negative things about CATS' bus services. Additionally, overall satisfaction scores improved by 52 percent from the surveys conducted in June to the surveys conducted in February.

The next questions are about what is important to people. Those responses did not change much between June 2016 and February 2017, indicating a stable system. The most important thing to people is that buses arrive on time. Price is the second factor and clean buses the third. In customer satisfaction, we take the elements that are most important to people. CATS' actual on-time performance was a little better than 85 percent, but customers perceived that the service was on-time about 71 percent of the time. Communication to make the customer aware of CATS' on-time performance is indicated. LYNX customers are also young and more than half make a conscious choice to use LYNX. NPS for the rail service is 71 percent. This is an extremely high performance level, comparable to Disney levels of satisfaction. 91 percent of customers express overall satisfaction with LYNX service; 93 percent of customers perceive the service to be on time. On-time performance is again the most important factor. The second most important factor is fare price.

The customer experience needs to be built into a performance scorecard to see how CATS is performing on all levels. There are five areas of focus from an outcomes perspective: both customers and financial performance at the top, followed by capital program delivery, a highly engaged workforce and stakeholder engagement. All are focused on the outcomes, not the effort we put forth, but the work we produce. Weighted goals will prioritize the metrics so CATS can measure the metrics that matter most and get the right things right. There is an owner and definition for every metric, as well as various levels of detail. The high-level detail will be for the Board to see, but the CEO and department heads can go into the various elements that make up that outcome. Mr. Aesch summarized by saying that for the bus system, CATS' NPS scores are four times the industry average, while rail has Disney-like levels of satisfaction. For CATS' performance scorecard, the goal is to measure the things that matter most for taxpayer value and customer satisfaction.

Discussion: Mr. Lewis said that we can all take pride in this, but there is work to do to keep this up. This is a result of the hard working people CATS has, from the leadership team to the people working in and maintaining the vehicles every day. We need to make sure that we deal with the issues that matter most to our customers. If cleanliness is the most important thing to our customers, then we should focus on that. Mr. Lewis said that his performance and that of the management team will be based on this new scorecard, which will be the driving factor for many operational decisions. Mr. Lewis said that it has taken time to dig down and there are many performance measurements. Mayor Roberts said that satisfaction is high but transit ridership is stable. Mr. Lewis said that he thought the reason for the increase between June and February may be Envision My Ride, the effort to engage with the public and ask their needs and show customers the changes we plan to make in the buses. Those that are taking the service are very happy with us, but we have the opportunity to provide a better level of service to grow CATS' customer base.

b. June 2017 Bus Route Adjustments

Larry Kopf

Mr. Kopf, CATS Chief Operations Planning Officer, said that CATS proposes two major service adjustments to be implemented in June 2017. The first adjustment entails the North Mecklenburg Express services, short-term adjustments while I-77 construction continues. The adjustments will incorporate the new Park and Ride lot in Cornelius into CATS' service.

CATS is changing Route 77 North Meck Express, the highest-ridership line, and the 48 Huntersville Express, the third-highest ridership of the Express lines. We looked at the location of the park and ride lot and surveyed customers. Some people will move from Northcross or Smithfield to the Cornelius Park and Ride lot. When CATS builds a new park and ride lot, it attracts new customers. Route 77 loses a lot of time when it crosses I-77, so the adjustments also tweak routes to minimize travel time loss. Staff held a public meeting on March 7, 2017 and received positive feedback on the changes from the 42 customers who attended.

CATS also proposes a service change for the LYNX-Airport connector service. The Airport partners with CATS to provide bus service from the LYNX Blue Line to the airport. CATS has a route that goes from Tyvola to the new Veteran's Administration (VA) facility that currently goes to Walmart, but the Walmart leg does not have much ridership. Staff proposes to go from the VA Health Center to the Airport instead. Service frequency will be increased with better night service and Sunday service. The Airport will fund this but it will be less expensive than the current service funded by the Airport.

Discussion: None

c. FY2017/18 Budget Overview

Ms. Pereira, CATS Chief Financial Officer, Assistant Director of Public Transit, continued the budget discussion begun in January. Ms. Pereira said that the five-year Community Investment Plan (CIP) is a \$464.3 million plan, funded by federal, state and local funds. \$302.8 million is from federal grants, including \$174.2 million for the remainder of the BLE project; \$117.0 million is from state grants, including \$116.3 million for the BLE; and \$44.5 million is from local funds. CATS has increased the 5-year CIP by \$1.7 million over the January discussion. The additional funds are from additional grant apportionments, primarily for purchase of buses and the remainder of the fare collection equipment, as well as preventative and asset maintenance and other uses. In addition, CATS has also adjusted local share funds to align with City accounting methodology for the capital control account.

The federal FAST Act apportions formula-type funds to the Designated Recipient (DR) within an urbanized area. In this region of North and South Carolina, CATS is the DR. The formula-type funds all come to CATS and CATS distributes those funds to agencies in NC and SC. Federal funding for the BLE is programmed in accordance with schedules in the Full Funding Grant Agreement (FFGA). The President's budget, released last week, requires a 13 percent reduction in the USDOT budget. Signed FFGAs will not be impacted by the reductions, but the receipt of funds is subject to appropriation and may be slightly delayed. There is sufficient cash flow for the BLE's completion and close-out from grant balances and debt financing.

In the 5-year CIP, CATS will replace up to 107 buses and up to 100 STS buses, as well as STS system expansion, vanpool vans and engines and transmissions. Funds are also allocated for preventative maintenance. The rail program includes \$9.3 million for ongoing 5-year rail car overhauls as well as funds for asset maintenance.

CATS plans on facility upgrades at all CATS facilities and one percent per year for amenities such as bus stop improvements and one percent for security. Most of the security funds for

this five-year period will be the purchase of non-revenue security vehicles. CATS will also replace or upgrade technology. The mobile app will be upgraded. The farebox and TVM replacement program will be completed. CATS will upgrade the HASTUS route scheduling and STS scheduling system.

John Muth, CATS Deputy Director, showed the debt payments for the BLE through FY22, totaling a little over \$305 million. The Request for Proposals for the North Corridor/ West Corridor/ Silver Line/ Center City Study has been issued. Proposals are due March 31, 2017 with award scheduled for July. The North Corridor Mobility Study is underway to capitalize on the I-77 Express Lane opportunity, as well as provide ideas for service enhancements and the Envision My Ride initiative. Mr. Muth said that will give CATS ideas on items to include in next year's budget. Mr. Muth reviewed the items to consider for Center City system integration and the West Corridor study area. The West Corridor study in 2006 spoke of a possible streetcar extension to the Airport. However, NCDOT was more comfortable with a scenario that shared a travel lane and not taking a lane for dedicated transit as light rail would have. Current needs in the West Corridor include determining how best to serve the area between Uptown and the Charlotte Douglas Airport, as well as Charlotte Douglas Airport itself, the proposed River District development and Gaston County. Gaston County responded positively to a regional transit engagement series meeting held there last week. They are interested in continuing discussions on transit to their area.

The original vision for the North Corridor was to share the track with Norfolk Southern (NS) with a temporal separation, so passenger service would have a separate time on the shared tracks and freight service would have its own time on the tracks, typically midnight to 5 a.m. CATS had a general agreement and a draft term sheet with NS but no formal agreement was executed. In 2013, NS issued a refined Passenger Policy which prohibited passenger-only operating windows. Any proposed passenger service on their line could have no discernible impact on NS's service. In addition, NS required the capacity to accommodate both freight and passenger without any delay or impact on NS maintenance. These items precluded use of the NS rail corridor. In October 2016, CATS held a meeting with the railroads and USDOT in Washington, DC where there was more conversation about using the O-line corridor. The railroads indicated again in that conversation that they were not willing to agree to give up any capacity along that track. CATS now proposes to study the potential for passenger track adjacent to the O-line corridor. In addition, CATS will revisit the broader corridor, similar to the effort recently undertaken for the LYNX Silver Line, to identify possible new alignments.

Mr. Muth reviewed the plans for CityLYNX Gold Line Phase 2, which is funded by FTA and City of Charlotte funds. The total project cost is \$150 million. Phase I for the Charlotte Gateway Station (CGS) is funded through federal TIGER grants and well as state planning and City of Charlotte funds. We are currently at 65 percent design for the tracks, signals and structures needed for tracks. Because of the way CGS funding is coming together, CATS would like to view potential public-private partnerships for development and skip the step of constructing an interim station.

Mr. Lewis said that staff has been discussing over the past year how to take very limited resources to advance the 2030 Transit Plan. In viewing projected revenues over the next 20 years, capital expenditures in the current plan taper off significantly. The vast majority of the cost will be operational costs, putting an operator behind the wheel, fuel in the tank and

a mechanic under the hood. There is no capacity for new capital expenditures and system expansion in the current budget. There are a few years where projected revenue exceeds expenses according to the current budget, but CATS anticipates economic downturns about every eight to ten years. CATS is very conservative in its economic outlook. CATS projects long-term rail car maintenance into the capital plan, unlike some other big systems. Overhauling the light rail cars is a \$200 million program over the next 20 years. The revenue spikes reflect debt expenditures. Mr. Lewis said that MTC's financial policies require a \$100 million fund balance. The dips in the net debt service coverage ratio reflect years of heavy rail maintenance. The good news is that sales tax revenue has outperformed estimates, so CATS will in all likelihood fill the Control account by the end of this fiscal year, after which time all sales tax revenues exceeding estimates can be used in the system instead of going in the reserve account as required now.

All current operations are funded, including maintenance. There is not additional financial capacity for new programs, but Mr. Lewis said that he is working on an idea to move the 2030 Transit Plan forward. The reality of all FTA programs' elimination in the current federal budget will be an item of discussion later. New Starts, Small Starts, TIGER, Core Capacity, all these programs that we have used in the 2030 Transit Plan so far are proposed to be eliminated. This budget was based on an August FY18 BLE revenue service date. We will open sometime in FY18. Most of the operating costs associated with the BLE will stay on the capital side until the line opens.

Discussion: Mayor Roberts verified the figures for bus and STS vehicle replacement. Ms. Pereira said that CATS will replace about 107 buses over the five-year period. Mayor Roberts said that bus replacement was listed at a cost of \$9.8 million; the cost for STS vehicle replacement is \$2.2 million.

Mayor Roberts asked at what point in the timeline the Charlotte Gateway Station will be built. Mr. Muth said that we hope to begin work on the track, structures and signals in 2018 and begin discussion about the transit aspects, station design and the climate for Public Private Partnership at that time. CATS would like to begin planning the station and development in the next fiscal year. Mayor Roberts asked about the timeline. Mr. Muth said that there is money budgeted for studies for financial analysis, travel forecasting, help with overall cost estimates for CIP projects.

Mayor Travis asked if the design charrette process was complete for the Charlotte Gateway Station. Mr. Muth said that work, the Small Area Plan, is still underway. It will inform the RFP for the project. We also need to do a market analysis, which is an FTA requirement. Mayor Travis asked if the results of the Small Area Plan would be reported to MTC, and Mr. Muth said that staff can give a report on that soon. Mayor Travis asked what is in the budget for the North Corridor Mobility Study. Mr. Muth said that during the Envision My Ride process and in conversations with town staff, CATS staff will investigate what is feasible in the current budget, perhaps more weekend service or later night service. CATS has obtained funding from the project developer and the State to add bus service during construction to mitigate the project's impacts. Mr. Lewis added that CATS is running express service today along that corridor. We have purchased new MCI buses for this segment, nine vehicles that will arrive this July. We envision that the current express routes will change and be moved over into the Variable Pricing Lanes. We do not anticipate additional operating costs for

that; we will consolidate those corridors into perhaps a different type of Express service. That project is moving full steam ahead. The fact that there is no new money in the budget does not affect how we will change the current operating Express route in the north region once the HOV lanes are open.

Mayor Taylor asked what assumptions caused the spikes in revenue in the long term projections. Mr. Lewis said some spikes are due to grants and loans for the BLE. Other spikes are the mid-life overhauls for the current light rail vehicles. CATS has done an amazing job at planning for rail car maintenance in the long term capital plan. Some of the legacy systems such as Washington, DC or New York City are having challenges with their programs because they have not planned. So CATS plans for these big spikes. Overhauling the light rail program is a \$200 million program over the next 20 years. The revenue spikes are due to CATS' taking on more debt to pay for the maintenance program.

Mr. Thunberg said that including maintenance in the capital budget is critical to the future of the organization. The biggest mistake some systems make is in not programming maintenance in the capital program to keep the level of service that needs to be maintained. Mr. Lewis said that staff has done a very good job of keeping maintenance in the capital project. Mr. Thunberg said that when you look at the financials that P3 partners present, maintenance is a large component of their contracts.

Mayor Aneralla said that his town board passed a resolution on Monday night asking MTC to uphold the commitment last year to no longer study an alternative to the Red Line and instead put that money to other uses, whether for bus shelters, additional park and rides, greenways, sidewalks, etc. Last year as a new mayor, he saw the budget proposal and there was \$780,000 for a five-year Red Line study. Mayor Aneralla said that we have studied this and are investing heavily in our downtowns now. They speak with developers who are developing a grid around the current Red Line. This board committed that we were not going to study anything and that we were going to use that money to enhance bus service or buy a park and ride where a train station would be down the road. We have developments that have already deeded parking lots for rail that can be used for bus service. When you look at the White Paper that was mentioned today, the disruptions to our downtowns would be immense if the line was east or west of the current rail line. In one circumstance, there are three cemeteries, one school, one emergency facility and 15 communities and historic properties. Adjacent to one proposed alignment is an unmarked slave cemetery. The projected cost of buying new right of way would be over \$100 million, 87 rail crossings would have to be redone and hundreds of properties would be impacted. North Mecklenburg has contributed millions of dollars to this system over the last 19 years. The group committed last year to begin seeing some benefit immediately. As Mr. Lewis has said, the time for study is over and the time for implementation is now. Mayor Aneralla asked that the money that is currently being used for a study be used instead to enhance bus service. The County is building a greenway tunnel now that will connect to a park and ride along I-77. Mayor Aneralla said that his town has committed \$300,000 for that construction. Their residents who take buses that are not at a park and ride risk their lives, since there are no sidewalks or concrete pads at bus stops. They have two bus shelters at ADA bus stops. Mayor Aneralla said that if we have rail along the North Corridor, it should be on the current Red Line alignment.

Mayor Aneralla made a motion urging MTC to reallocate funds designated to study a fixed-rail alternative in the FY18-19 budget towards improved bus services in the towns of Davidson, Cornelius and Huntersville, including purchase of right of way for future park and rides, interconnection for bicycles and pedestrian infrastructure and bus shelters and other uses stated in HB148 Article 43, and to authorize the funds budgeted for the study of a fixed-rail line alternative in North Mecklenburg be distributed according to the Office of State Budget and Management population numbers for the towns of Davidson, Cornelius and Huntersville. Mayor Aneralla distributed copies of the motion and said that if there is rail in North Mecklenburg, they believe it should be on the current LYNX Red Line. He encouraged continuing to work with Norfolk Southern and said we do not know if there will be a change of control; perhaps if there is, there will be a change of heart. Mayor Aneralla said that he would appreciate MTC's support in this. Commissioner Scarborough and Mayor Edwards seconded the motion.

Mayor Roberts asked if it was an accurate statement that MTC had committed to no longer endorse fixed rail for North Mecklenburg. Mayor Aneralla said that it had been talked about and enhancing bus service instead. Mayor Roberts said that she remembered speaking of enhanced bus service but said that she did not remember a decision to no longer study rail.

Mayor Woods said that in the visit with USDOT Secretary Foxx in October, they reached a point in the discussions where it was apparent that NS truly was not going to cooperate and that the relationship with the North Carolina Railroad continues to be an issue that we have to face. We have to find ways to build a rail system to North Mecklenburg to complement the bus and road systems. We have billions of dollars of DOT money throughout the three communities and Charlotte that is improving the roads and intersections. Mayor Woods said that we are way behind, but to say that we are not willing to look at alternatives or to confirm whether or not other options are available would be short-sighted. Mayor Roberts said that she was in the same meeting with the railroads, and the need for an alternative corridor became very clear. The railroads said very clearly that they would not have passenger and freight in the same corridor; that there had to be 200 feet between the tracks to make it safe. She said that her understanding was that if you used the existing corridor, it would be more disruptive with NS' 200-foot separation requirement. The need for a study is to seek an alternative to find other options that might be less disruptive than destroying downtowns with a 200-foot right of way. Mayor Aneralla said that he felt, respectfully, that this would be a big waste of money. Mayor Aneralla said he thinks the time for studying is over and the time for action is here, we can enhance people's lives today. We are stuck with the toll lanes and we can take advantage of them by strategically putting bus stops where the growth will be and where it is already planned for train service. Mayor Aneralla said that he felt that we would see more ridership when you can guarantee people no traffic on the bus than today where there is no advantage beyond not driving. There is just no viable alternative. Mayor Aneralla said his town is building a Veteran's Park and one of the alternatives is literally on the park. If you do not have the local knowledge, you would not know that west of the railroad track is an unmarked cemetery. There is not a lot of space around the tracks. Mayor Aneralla indicated that there is no good alternative. He strongly asked for MTC's support, based on the commitment given last year and said that he believed that this would be much better. Huntersville will contribute over \$2.6 million in half-cent sales tax this year. If you add in the fares that people are paying, he said that he

believed they were paying well over a million dollars yearly in excess over what he was asking for now with some future return.

Mayor Roberts said that she had asked for the operating cost for the Expresses and Village Riders in the northern towns and transit initiatives, vanpool costs and other information for the northern towns. The total that CATS spends on services in North Mecklenburg is \$4.13 million. Mayor Aneralla said he had those numbers last year and the three towns are contributing over a million dollars. Sales tax revenues are increasing because more things are being taxed, so the inequity will get worse. Mayor Roberts said that she did not want to perpetuate the myth that others are paying for a service they are not getting. Mayor Aneralla said that he disagreed and Mayor Roberts said it was on the last page of the handout. Mayor Roberts said that the value of the system as a whole is important.

Mayor Travis said that there is a new group called the North Meck Alliance. The Alliance discussed Huntersville's resolution. Mayor Travis said he wanted to verify that this is not a vote against the LYNX Red Line. This is to support the Red Line, and Mayor Aneralla agreed. The intent we have discussed for over a decade now is that we want to have the LYNX Red Line come through the heart of our towns, and we have planned for it. Mayor Travis said that he agreed with Mayor Aneralla that the focus should be how to accomplish the LYNX Red Line. He said that he was not sure that we have a clear delineation of who owns what right of way. Mayor Travis asked what would happen if we built an adjacent track that would have very little disruption through the hearts the downtowns. He said that he would like to know that before he gave up on the LYNX Red Line. He said he would also support Mayor Aneralla in his desire to improve bus service in his town. Mayor Travis said that it pains him to see people standing in a ditch and wanting to ride the bus system that we are working to create. Now that there will be a park and ride in Cornelius, we want to encourage bus riders. We have spoken of the opportunity to add transit as another transportation option. It would be a mistake to give up now and not truly study how we can get the LYNX Red Line in our communities and dedicate money in the interim to improve bus service. Mayor Travis said that he felt we should be doing both, and he told his town board that. Mayor Travis said that he supported continuing to study the LYNX Red Line in its current configuration, and add additional dollars to improve ridership to do the things that Mayor Aneralla is asking the Board to do. Mr. Lewis said that to the point of enhancing bus service, which is adding amenities to bus service, shelters, benches and addressing accessibility issues, CATS staff will discuss that later in this meeting, outside this budgetary item. Mayor Travis said that his community did a survey to find where the highest ridership is. His town built their own concrete pads at those high ridership areas, at the town's expense, to improve the quality of bus service.

Mayor Woods said that this is a budget issue and we will vote on the budget next month. He recommended that MTC members postpone discussion of this issue, which comprises one percent of the budget, for discussion in the entire budget discussion next month.

Mayor Taylor said that in Matthews, the LYNX Silver Line alignment was originally on Independence Boulevard. We continued to study it, and the approved alignment now looks dramatically different in some areas, and similar in others. We are not utilizing CSX's rail through the heart of Matthews, but will be perpendicular in some areas. The additional study that went into new alternatives paid dividends. Mayor Taylor said that we tried to do

some transit oriented development along the original corridor but he thinks that the approved alignment is a better one. Mayor Taylor said that he was concerned about the precedent of towns asking to redirect funds from rail studies to bus service for an individual town. All the towns have been contributing funds for years with the regional view to benefit the entire region and not individual towns. Mayor Taylor said that the best solution would be to find a compromise with Norfolk Southern, but it will take a bigger stick than anyone in this room has to win that battle. Mayor Woods said that it may well be that this plan is part of the bigger stick we need to prove our case. Mayor Taylor asked why we are not using the multimodal facility at the airport as a leverage tool to encourage Norfolk Southern to come to the table to discuss the LYNX Red Line. It is a two-way street. Commissioner Scarborough said she would hold that as a part of negotiations. Mayor Edwards said that Pineville had no bus shelters and people are sliding down hills, and he has spoken with Mr. Kopf about that. Ms. Dodson said that we are committed to a full system, and if we lose sight of one piece, then we are losing sight of the whole system.

Mr. Joye said that customarily, MTC has heard an information item on the budget at the March meeting and taken action at the April meeting. The interlocal agreement requires MTC to submit a budget to the City of Charlotte by April 30 of each year. Staff put this item on the agenda as an information item per MTC custom. MTC has the right to change an information item to an action item, but a unanimous vote is required to convert it from an information item to an action item. To vote on the item, it would have to be added to the agenda tonight as an action item. The motion can be deferred until next month when it will be an action item. Mayor Edwards withdrew his second of the motion. He said he was concerned about the funding. Since two of the three mayors support it, Mayor Edwards said that he felt we needed to wait for the budget meeting next month.

Mayor Roberts said that in order to vote on Mayor Aneralla's motion, it needed to be converted from an information item to an action item, which required a vote, and then the item itself could be voted upon. Mayor Aneralla motioned to reallocate the funding for the LYNX Red Line from an information item to an action item. Commissioner Scarborough seconded the motion. The motion did not pass unanimously, so the motion will be discussed next month as an action item. Mr. Coxe said that he had heard a concern of what might come out of a re-study of rapid transit in North Mecklenburg. Greater clarity on what might be achieved by that study could help. That could encourage Norfolk Southern to become better citizens and third, tweaking the budget to provide additional resources to address issues at bus stops might be beneficial. Mayor Travis said that all three northern mayors support the LYNX Red Line coming through the hearts of their town. Mayor Aneralla said that he would rather have enhanced bus service today than pay consultants; too many consultants have been paid over the last few years for everything.

VIII. Chief Executive Officer's Report

John Lewis Jr

Under the CEO's report, Mr. Lewis discussed the following:

a. Bus Amenities Program:

Mr. Lewis said that he has spoken with MTC members about the amenities and shelters program. We have talked about how we can coordinate with the towns on several areas that have been a hurdle in providing service. The current capital program has money set aside for amenities, but interest was expressed tonight on increasing that amount. Mr.

Lewis said that he has asked Mr. Kopf to provide a broad overview of how many stops we have in the system, how many meet the current criteria and where that leaves us in the cost. If \$1.5 million is not enough in the next five years, we can budget for that. Mr. Lewis said that every town has different design specifications for shelters. It would be helpful to standardize that so we could purchase at economies for scale. Shelters and amenities must meet ADA standards. It would be great to have good relationships for installing sidewalks.

Mr. Kopf said that CATS has 3,300 bus stops in the system. MTC policy is that CATS give shelter installation priority based on the number of boardings from that bus stop. The policy includes a requirement for sidewalks per ADA requirements for a firm and stable path of travel, so CATS has been reluctant to place a bus stop in areas lacking sidewalks. If CATS installs a shelter near a Town Hall and there is not an adequate path of travel to the Town Hall from the bus stop or shelter, someone could complain to the Department of Justice and CATS may have to remedy that situation. CATS has not traditionally been in the business of building sidewalks and paths, so we require that a sidewalk be in place.

CATS' first approach to improve bus stops is to use the internal budget to install pads for bus stops, but the budget does not always go far. We make requests for zoning improvements as developers move in areas. When Northlake Mall was developed, CATS requested a park and ride lot. The mall owns and maintains it, but CATS has the use of the lot. CATS also has involvement with the Huntersville Technical Coordinating Committee to obtain private money to pay for public bus stops. We also work with the City of Charlotte on street projects such as streetscapes or curb work. If there is a bus stop in the area, it is not a great expense to build a pad or strip from sidewalk to curb for bus passengers.

One of the big hurdles CATS faces is a lack of sidewalks. Many places in Mecklenburg County lack sidewalks. There are places where CATS is reluctant to place stops because we may have to put in place the entire infrastructure. Topography can also pose a challenge where there is a berm or valley near a proposed stop. CATS uses the City of Charlotte Real Estate division on right of way acquisition. Usually, a shelter does not fit neatly within the street right of way, so we negotiate with and often pay the property owner for the use of their property. If towns could assist CATS with those negotiations, we would appreciate it. Another hurdle CATS faces is NCDOT. The NCDOT approval process takes about six months at a minimum. They also require a much deeper clear zone, farther away from the road, which means the potential of encroaching on private property to a greater degree, increasing the cost to obtain right of way. We also work with some property owners on installing shelters to fit their décor. CATS can be a partner for those installations.

CATS has seven shelters in the North Mecklenburg area. Currently, there is only one bus stop in the North Mecklenburg area that exceeds 25 boardings that does not have a bus shelter, the Davidson Gateway parking area. There are bus stops that come close, such as Sadler Square, where the property owner does not want people parking in his lot. The stop at Holly Hill and Statesville slopes down. Sometimes if we put up a shelter it attracts ridership. The North Meck Village Rider has a deviation component. People can call and ask that the bus deviate from the fixed route up to $\frac{3}{4}$ of a mile. People called for a deviation to the Walmart so often that CATS added it to the route.

Discussion: Mr. Roberts asked how CATS handles a sign that is leaning. Mr. Kopf said that if we know that a sign is down, we send someone to fix it. Mr. Roberts said that they have public works staff and it may make financial sense to have an agreement with a local town to fix a sign rather than have CATS staff drive up to fix it. Mr. Lewis said that he would like to come back to MTC with a program. What are the challenges system-wide? How do we deal with the structural issues, such as partnering in the developer process earlier? Can CATS achieve some standardization for a shelter amenities program? Once we identify the issues, CATS can identify the funds to deal with that. Mr. Lewis said that staff will bring that back in the next couple of months.

Mr. Coxe said that there are planning documents and processes that have to be performed with NCDOT projects and he was not sure that we have done a good job to incorporate transit plans with that. He suggested that it may be advantageous for towns to invite CATS to participate in the planning process.

Mayor Travis said that we have 3300 stops and 300 shelters, so we are woefully behind. Having a plan in place to move forward and improve the system countywide and encourage ridership is a necessity. Mayor Roberts suggested having a company sponsor a shelter. Mr. Roberts said that the Rotary has sponsored benches. Mayor Taylor said that we need flexibility, since every town is individual. A majority of the buses entering Matthews come in through State roads and the challenge is working with the State.

b. Transit Funding:

Mr. Lewis discussed the impact of the President's budget on the transit program. The federal budget proposal eliminates programs that our rail projects have used. APTA has sent a letter to Joint Chairs regarding the proposed eliminations. Mr. Lewis said he signed that letter, and suggested that staff draft a letter in support of transit funding for MTC's signature to send to federal authorities and the federal North Carolina delegates.

Discussion: Mayor Roberts said that she would have no problem signing a letter; Mayor Taylor suggested that there be a letter for action at the next meeting. Mr. Lewis said that staff will draft a letter and send it ahead of time for review in the next few days. If we can wait until the next MTC meeting for action, that would make sense. Mr. Joye suggested that it could be added to tonight's agenda as an action item. Commissioner Scarborough motioned to add an action item to the agenda to draft a letter. Mayor Taylor seconded the motion but it did not pass. Therefore, mayors may sign a letter on behalf of their towns if one needs to be signed before the next meeting, or it will be added to next month's agenda.

IX. Other Business

None

X. Adjourn

The meeting was adjourned at 8:00 p.m. by Mayor Roberts.

NEXT MTC MEETING: WEDNESDAY, APRIL 26, 2017, 5:30 P.M.

**METROPOLITAN TRANSIT COMMISSION
ACTION ITEM
STAFF SUMMARY**

**SUBJECT: MTC Approval
FY2018 Transit Operating Budget
FY2018 Transit Debt Service Budget
FY2018-2022 Transit Community Investment Plan (CIP)**

DATE: April 26, 2017

1.0 ACTION

In compliance with the Transit Governance Interlocal Agreement, the Metropolitan Transit Commission is required to take action on CATS budgets and CIP by April 30 of each year.

MTC Action is included in Resolution # 2017-01

2.0 BACKGROUND:

On January 25, 2017, CATS presented the CEO recommended FY2018 Operating Budget, FY2018 Debt Service Budget and FY2018-2022 Community Investment Plan (CIP) to the Metropolitan Transit Commission. In the months of January-March, 2017, the MTC reviewed and discussed the budgets prior to action in April 2017.

Key elements of the Budgets are:

- Service Changes:
 - o Implementation of the LYNX Blue Line Extension revenue service
 - 18,900 daily riders anticipated in first year of operations
 - 9.3 miles added to current light rail, for a total of 18.9 miles
 - o *Envision My Ride* initiative
 - Re-design of bus route system to better serve the region
 - Cross-town services
 - Connections between bus and light rail
 - Enhanced service frequency
- Increase in Current Level Operating Revenue
 - o Sales Tax recovery
 - o Increase in Operating Revenue anticipated with BLE Revenue Service
- Increase in Current Operating Expense
 - o Investment in employees through the City's benefit plans
 - o Increase in Operating Expense associated with opening of the BLE, including risk insurance premiums, cost of 128 FTEs approved in prior years, utilities, contracted security services, landscaping, facilities maintenance, and support services in technology, customer service and administration.
- The 5-year CIP includes:
 - o Completion of the Blue Line Light Rail Extension
 - o Vehicle replacements of approximately 100 buses, 100 STS vehicles and vanpools
 - o State of Good Repair of transit assets including light rail vehicle overhauls, facility repairs/renovations, technology upgrades and equipment replacements
 - o Advancing the 2030 Transit Plan through alternative analysis studies to define fixed guideways and transit modes for the major corridors

3.0 POLICY IMPACT:

The budgets and CIP are in compliance with:
CATS Mission, Vision and Strategic Goals
CATS Financial Policies
CATS Fare Policies

4.0 ECONOMIC IMPACT:

The budgets and CIP are funded from the following revenue sources:
Grants from the United States Department of Transportation, Federal Transit Administration
Grants from the United States Department of Homeland Security
Grants from the North Carolina Department of Transportation
Operating Income Sources

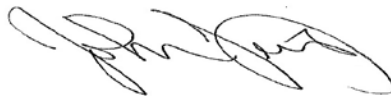
5.0 RECOMMENDATION:

CATS Chief Executive Officer recommends approval of budgets included in the attachment to this Action Item.
FY2018 Operating Budget
FY2018 Debt Service Budget
FY2018-2022 Community Investment Plan

6.0 ATTACHMENT(S):

- A) Resolution #2017-01
- B) CATS FY2018 Operating Budget, FY2018 Debt Service Budget & FY2018-2022 Community Investment Plan

SUBMITTED AND RECOMMENDED BY:



John M. Lewis, Jr.
Chief Executive Officer, Charlotte Area Transit System
Director of Public Transit, City of Charlotte



FY2018 Final Adopted Strategic Operating Plan FY2018-FY2022 Community Investment Plan

April 26, 2017



CHIEF EXECUTIVE OFFICER'S TRANSMITTAL LETTER

January 25, 2017

**To: The Chair and Members of the Metropolitan Transit Commission
Charlotte, North Carolina**

I am pleased to present to you the recommended fiscal year (FY) 2018 Strategic Operating Plan (SOP), which includes the Operating and Debt Service Budgets, Financial and Business Performance Targets, and the FY2018-2022 Community Investment Plan (CIP) for the Charlotte Area Transit System. The balanced budgets maintain and enhance current services and commitments, focus on safety, asset management and safe, affordable access to jobs, education and housing.

FY2018 Priorities

The FY2018 budgets reflect priorities in the Metropolitan Transit Commission's approved Mission and Strategic Goals for CATS.

- Outstanding community-wide public transportation services
- Focused Regional Growth
- Safety and Accountability
- Safe, affordable mobility options to jobs, education and housing
- Contribution to economic development in the County and region
- Investment in employees

FY2018 Budget Highlights

- **The Blue Line Extension** project, which will extend light rail service by 9.3 miles from Center City Charlotte through the North Davidson historic arts district and University City area to a terminus on the campus of the University of North Carolina, Charlotte (UNCC) is scheduled to implement revenue operations in FY2018. The system will include 11 new light rail stations, with approximately 3,100 parking spaces at four stations with parking facilities. Economic development around the BLE station areas with proposed and completed projects is estimated at \$348.1 million. The project created 7,628 direct, indirect and induced jobs; with 128 new full time jobs in CATS.
- **Envision My Ride** is a new initiative to redesign the bus system to better serve the region with cross-town services, connections between bus and light rail, enhanced service frequency and more direct service
- **Advancing The 2030 Transit Plan** through alternative analysis studies to define fixed guideways and transit modes for North and West corridors
- **Increased bus services** on the I-77 Corridor to mitigate delays caused by construction
- **Partnership between CATS and UNCC** will leverage CATS new farebox technology and UNCC's new student IDs, which will include student all access pass to ride CATS services. UNCC will pay CATS through an assessment in regular student fees.

**FY2018 Budget**

CATS FY2018 budget is supported primarily by the transit sales tax, fare revenues, service reimbursements, maintenance of effort, operating and capital assistance from the Federal and State governments and other miscellaneous sources. The budget is structurally balanced meets CATS financial performance objectives and delivers a variety of transportation options for the community.

CATS continues to respond to the transit needs of the community within its available resources. The transit sales tax has shown a steady growth over the past two years. Despite this growth, significant new funding sources are required to advance the 2030 Transit Corridor System Plan. In FY2018, I will provide you with options (with the help and guidance of the public and private sector) to achieve a long term sustainable public transportation service for our community.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'John L. Lewis, Jr.', is written over a horizontal line.

John L. Lewis, Jr.
Chief Executive Officer

EXECUTIVE SUMMARY

BUDGET SUMMARY				
\$ - millions				
		FY2017 Adopted Budget	FY2018 Recommended Budget	FY18 - FY22 Recommended Budget
Operating Revenues	\$	134.0	151.6	
Operating Expenditures	\$	123.2	148.2	
Operating Balance (Transfer to Capital)	\$	10.8	3.4	
Debt Service Budget	\$	20.8	21.3	
Capital Revenues	\$	307.9	157.9	464.4
Capital Expenditures	\$	307.9	157.9	464.4

The transit sales tax, which is the primary revenue source for transit, has reflected a growth over the past several years. This growth reflects the recovery of the economy and action by the State General Assembly in 2016 to extend the sales tax to certain services. The increased revenue has filled the CATS Revenue Reserve Fund (RRF) with the required \$30 million in FY2017, which is 10 years earlier than projected. As a result, it is anticipated that in years when sales tax revenue is greater than the sales tax trendline, the difference will be transferred to the CATS Control Account.

FY2018 is a milestone year as CATS opens the Blue Line Extension light rail revenue service, which will serve approximately 18,900 daily riders in the first year of operations, including UNCC students who will have unlimited rides on CATS services. Riders will have the ability to travel on 18.9 miles of light rail from UNCC in the northeast corridor through Center City Charlotte and onwards to the I-485 southern corridor for access to jobs, education, sports and other events. Trains will operate seven days a week from 5:00 am – 1:00 am daily, arriving at stations every 10 minutes during rush hour and every 15 minutes at other times.

The bus system will undergo several transformational initiatives. The *Envision My Ride* program will change the current route structure to better serve the region. The bus/rail integration will make transit convenient and will enhance weekday services on the I-77 corridor for passengers.

BUDGET SUMMARY

I. OPERATING BUDGET

The FY2018 Operating Budget is \$148.2 million.

OPERATING BUDGET				
\$ - millions				
		FY2017 Adopted Budget	FY2018 Recommended Budget	% Variance
Total Operating Revenue	\$	134.0	151.6	13.1%
Operating Expenditures				
Base Operations Level	\$	123.2	127.6	3.6%
LYNX Blue Line Extension	\$	0	20.6	100.0%
Total Operating Expenditures	\$	123.2	148.2	20.3%

Reference: Appendix 1

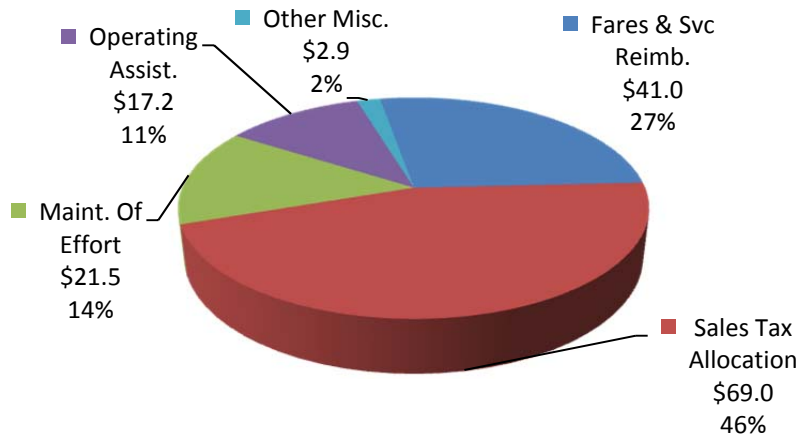
The FY2018 operating budget covers cost for transit provided by City and contracted employees. Approximately 69% of the operating budget includes Personal Services with the remaining 31% covering other operating expenses.

Direct services account for 92% of the operating budget. Support services and other indirect services account for 8% of the operating budget.

A. Operating Revenues: \$ 151.6 million

The following chart identifies the sources of the \$151.6 million in revenue that will fund the FY2018 Operating programs.

FY2018 Where The Money Comes From



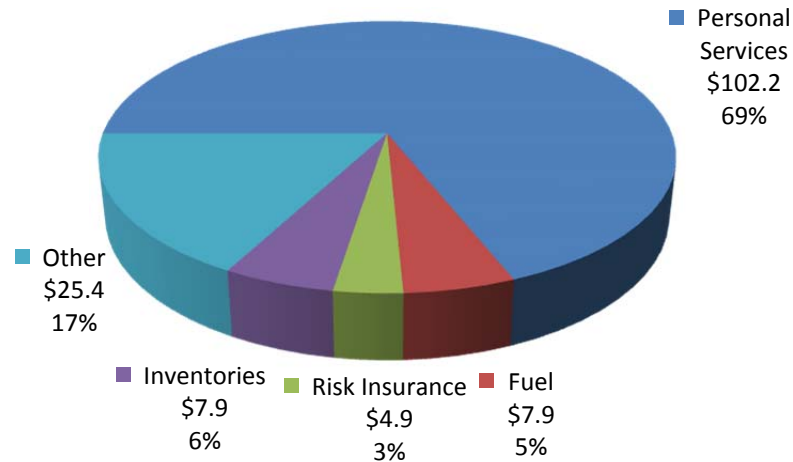
Key changes in FY2018 operating revenue vs. FY2017 are as follows:

Revenue Source	Budgetary Increases (Decreases)
Operating Allocation Operating Allocation increase reflects an updated sales tax trendline provided by the City Treasurer's Office.	+ \$ 7.5 million
Fare Revenues and Service Reimbursements Fare revenue primarily reflects 10 months of revenue from the projected increased ridership on the new BLE service and payment from UNCC for student ridership.	+ \$ 5.7 million
Maintenance of Effort Maintenance of Effort are funds received from the City of Charlotte, Mecklenburg County and the Town of Huntersville, which are paid to CATS in compliance with state law. The City of Charlotte increases its annual contribution by 3%.	+ \$ 0.6 million
Operating Assistance Operating Assistance includes funds from the North Carolina Department of Transportation (NCDOT), the City of Charlotte, and \$3.8 million from the federal government for implementation of the BLE light rail service. This category also includes a reimbursement from NCDOT and the private sector for construction mitigation services on the I-77 Corridor.	+ \$ 4.7 million
Other (Miscellaneous) Other Miscellaneous revenues include adjustments to prior projections.	+ \$ (0.9) million
Total Budgetary Increases (Decreases)	+ \$ 17.6 million

B. Operating Expenditures : \$148.2 million

In FY2018, the net Operating Expenditures are \$ 148,238,753

Where The Money Goes In FY2018



Current level operating expenditures of \$127.6 million in FY2018 increase by 3.6% vs. FY2017. Additionally, opening of the BLE light rail operations will add \$20.6 million of operating expenditures above the current level services.

Key changes in FY2018 operating expenditures vs. FY2017 are as follows:

	Budgetary Increases (Decreases)
<u>Personal Services</u> 9% increase in cost of City employee health insurance 3% increase in merit for City employees 10% increase in contribution to City employee retirement benefits	+ \$ 3.0 million
<u>Fuel</u> Fuel is forward purchased at \$1.70/gallon for 81% of the FY2018 estimated usage.	+ \$(2.4) million
<u>Risk Insurance</u> Premium increases of 73% for Rail, due primarily to opening of the BLE light rail, 5% for Bus and 5% for vanpool. 98% of the premium increase is due to the opening of the BLE light rail	+ \$ 1.0 million
<u>Other Operating Expense</u> Facilities maintenance, security services, utilities, landscaping, passenger amenities and other operating services associated with opening of the BLE light rail. Increase also provides for 3.6% increase in current level services.	+ \$23.4 million
Total Budgetary Increases (Decreases)	+ \$ 25.0 million

Service Level Changes: \$20.6 million; + 128 City positions

- Implementation of Blue Line Extension Light Rail Service

Key budget increase in FY2018 is associated with implementation of revenue service on the Blue Line Extension light rail operation.

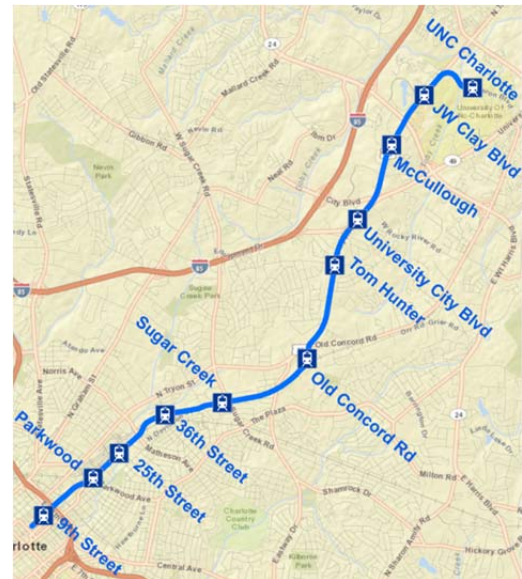
In Rail, a total of 114 new positions were added in FY2016-17 for pre-revenue service start-up and testing and were paid for by the BLE project grant. When the BLE light rail opens for revenue service, the cost of these positions will be covered in the CATS operating budget.

In addition to Rail, resources are added in Safety & Security including additional 48 contracted security officers who will provide security along the alignment, at the stations, the parking lots and the three multi-story garages.

Facilities will manage landscaping, utilities, cleaning, repairs and other maintenance of the transit amenities on the new 9.3 mile light rail alignment.

Revenue will provide daily servicing of the additional ticket vending machines, count, reconciliations and deposits of the daily cash and credit card receipts from the new service; manage accounting and reporting. Procurement will handle additional purchases and contracts for the expanded operation.

Technology will provide technical support for the BLE and for the new ticket vending machines; Customer Service will handle additional customer call volume and response.



Additional Personal Services cost for this service level change are as follows:

Division	BLE New Positions	Increased Budget
Rail Division		
Operations	42	\$3.1 million
Vehicle Maintenance	29	\$2.0 million
Non-Vehicle Maintenance	38	\$3.0 million
Administration	5	\$0.3 million
Safety & Security	5	\$0.5 million
Facilities	2	\$0.1 million
Customer Svc & Technology	2	\$0.2 million
Revenue & Procurement	5	\$0.4 million
TOTAL	128	\$9.6 million

- Increase in Bus Revenue Hours

The increased revenue hours of bus service reflects higher service frequency on the I-77 corridor, bus/rail integration plan as a result of the BLE, and the *Envision My Ride* Initiative. A portion of these cost are subsidized by other entities.

	Add'l Revenue Hours
North Mecklenburg Expresses <i>Enhanced Weekday Service During Construction</i>	5,330
Bus/Rail Integration at UNCC	4,406
Amazon HQ Extension	433
TOTAL Additional Bus Revenue Hours	10,169

C. Operating Balance: \$3.4 million

The Operating Balance is transferred to the capital program. These funds provide a portion of the 'matching fund' dollars required by Federal and/or State grants and are programmed to fund capital projects that do not receive grant funds. In FY2018, \$3.4 million Operating Balance will be transferred from the Operating Fund to the Capital Fund.

D. Staffing

The FY2018 Operating Budget provides for 522.75 full time equivalent positions. 128 of these positions are direct or support positions for the new Blue Line Extension Light Rail Service. Additionally, CATS FY2018 Budget provides for 14 'project term' positions to be maintained through the closing date of the grants on each of the capital investment projects. Of the 18 temporary positions, 3 are expected to be funded by NCDOT's annual intern program.

Reference: Appendix 3

II. DEBT SERVICE BUDGET**A. Debt Service Revenues: \$21.3 million**

No new debt financing is planned for FY2018. Key sources of revenue for payment of the current debt expenses are the transit sales tax, federal and state grants.

Debt financing proceeds are utilized to fund CATS capital investment projects.

B. Debt Service Expenditures: \$21.3 million

Debt service expenditures include principal and interest costs on project financings, together with fees and miscellaneous costs associated with capital financings.

In FY2018, debt service expenditures are as follows:

- \$10.5 million is programmed for the BLE project
- \$10.4 million is programmed for principal and interest payments on other (prior) projects, e.g. South Corridor, South Tryon Bus Garage
- \$443K covers miscellaneous fees.

Reference: Appendix 5

C. Revenue Reserve Fund

At the end of FY2017, the RRF is expected to reach the required balance of \$30 million. Therefore, the projected \$5.6 million of sales tax dollars that would have been deposited into this fund will transfer directly to the CATS Control Account.

III. COMMUNITY INVESTMENT PLAN (CIP)

CATS \$464.4 million 5-year CIP is prioritized to complete the final close-out of the BLE project; pay a portion of the debt service expenses; asset maintenance; security and amenities and to fund conceptual studies for advancement of public transportation as approved by the MTC.

	FY18	FY19	FY20	FY21	FY22	TOTAL FY18 - FY22
Revenues	\$163.4	\$138.4	\$57.8	\$56.9	\$47.8	\$464.4
Expenditures	\$163.4	\$138.4	\$57.8	\$56.9	\$47.8	\$464.4

Capital Revenues: \$ 464.4 million

Revenues for CATS 5-year capital program includes funds from Federal and State grants, transit sales tax and proceeds from debt financing.

In FY2018-22, CATS capital program will receive

- \$290.6 million in for the BLE project, in compliance with the Federal and State Full Funding Grant Agreements
- \$129.3 million from Federal programs and State discretionary grants
- \$ 44.5 million from transit sales tax (transfer from the Operating Balance and CATS Control Account)

In 2016, the MTC approved revision of CATS Financial Policies which created a CATS Control Account. This account would receive sales tax revenue in excess of the sales tax trend line only when the balance in the RRF has reached the maximum required balance of \$30 million.

The RRF reached the required \$30 million balance in FY2017. The projected balance of \$5.6 million in sales tax receipts in FY2017 will be transferred to the CATS Control Account.

Capital Expenditures : \$ 464.4 million

CATS 5-year capital program key expenditures include the following:

Capital Program/Project	FY18-FY22 Total
Blue Line Extension Project Scheduled to implement light rail service from 9 th Street to the campus of UNCC in FY2018. CATS will receive \$290.6 million in grant funds during this period together with local contribution of \$16.5 million	\$ 307.1 million
Payment of Debt Service Grant funds will be utilized to pay a portion of the debt service costs on prior capital financings and the current BLE project.	\$ 14.5 million
Amenities and Transit Security	\$ 3.9 million
Preventive Maintenance	\$ 27.5 million
Vehicle Replacements Replace approximately 100 buses, 100 STS buses and vanpool vans.	\$ 67.1 million
State of Good Repair This 5-year plan programmed for asset management. This includes non-revenue vehicle replacements and required specialized overhauls, repairs/renovations of facilities, technology upgrades and equipment replacements.	\$ 33.1 million
Purchase of New Equipment New equipment is anticipated to expand the STS revenue vehicle fleet and to provide for new equipment needed to maintain transit operations including bus and rail.	\$ 1.5 million
Studies/Analysis for Advancing Corridors CATS will conduct alternative analysis studies that will define rail fixed guideways alignments to serve the airport and the north corridor areas to determine the appropriate transit mode for each of these corridors. Additionally, a system integration study will determine how the proposed Silver Line, West Corridor and Red Corridor enter and integrate in Charlotte Center City.	\$ 7.0 million
Other: Sub-Recipients and Contingency Fund	\$ 2.7 million
Total Five-Year Capital Program	\$ 464.4 million

CAPITAL PROGRAMS MANAGED BY CATS

CATS manages two transit capital investment programs which receive funds from the Federal and State governments and the City of Charlotte. Reference: Appendix 7

The Charlotte Gateway Station – Rail Project (Phase I)

The Charlotte Gateway Station (CGS) Project is a planned multi-modal transit center located in Center City Charlotte.

The City of Charlotte and the North Carolina Department of Transportation (NCDOT) are partners in the phased implementation of this project which:

- Improves both regional (Amtrak) passenger rail service and regional freight rail operations through the construction of track and bridge improvements
- Includes a future multi-modal passenger station facility, the completion of which will mark the return of Amtrak service to Uptown Charlotte, with supporting modal connections to CityLYNX GoldLine, regional bus connections and CATS local bus routes.

Design and engineering of the first phase of the Project is underway with construction of the initial track and bridge improvements slated to begin in 2018. Phase 1 is being funded with federal, state and City of Charlotte (local) funds. The multi-modal station and associated complementary private sector investment are anticipated to total an additional \$100M and will be further identified during 2017 and 2018.

The CityLYNX GoldLine Streetcar Project – Phase II

The CityLYNX GoldLine Streetcar project - Phase 2 is an extension of the approximately 1.5 mile CityLYNX GoldLine Phase 1 project completed in July 2015. Phase II consists of the design and construction of approximately 2.5 miles of double-track in-street running streetcar line. This will result in approximately a total of a 4-mile long double-track streetcar system which will extend from Johnson C. Smith University through Center City Charlotte, to Novant Health and Sunnyside Avenue.

The project is being funded by a Federal Small Starts Grant for \$74,999,999 and with a local match of \$75 million funded by the City of Charlotte. Construction is scheduled to start in early 2017 and to be completed by August 2020.

FINANCIAL PERFORMANCE OBJECTIVES

CATS Financial Policies provide guidelines on how financial resources shall be utilized to fulfill the mission of the transit system, meet obligations and to protect the public interest.

BALANCED SCORECARD OBJECTIVES

CATS Balanced Scorecard (BSC) is developed on high level outcomes that determine the efficiency and effectiveness of the transit system. These outcomes establish high level expectations for CATS and are comparable to national standards for a medium to large transit agency. Outcomes are based on performance metrics established for CATS operations and services. The BSC performance objectives are referenced in Appendix 2

CATS SERVICES AND RIDERSHIP

CATS will provide approximately 30 million rides in FY2018 on its bus, light rail, streetcar, vanpool and Special Transportation services.

The Blue Line Extension will open and provide service to eleven new station locations from 9th Street in Uptown Charlotte to the UNC-Charlotte campus. The light rail system will capture a number of riders who currently use the bus system. Customers wholly new to transit are also expected to contribute to an increase in light rail ridership. Light rail ridership is projected to increase to 12 million riders annually.

The first installment of *Envision My Ride*, the initiative to refresh the bus system, will be implemented in the northeast corridor to connect bus routes into the Blue Line Extension stations. Additional bus service is planned to connect UNC-Charlotte students into the light rail system.

Other areas of new service include improved frequency on North Mecklenburg express routes, and connections to the new Amazon Fulfillment Center northwest of the Airport. The North Mecklenburg improvements are designed to help mitigate traffic congestion resulting from the construction project on I-77. Service to the Amazon Fulfillment Center will be developed by reallocating existing service hours within the bus system. The Fulfillment Center is a new facility projected to house 1,100 workers once fully occupied.

The FY2018 budget proposes an increase of approximately 10,000 in bus service hours.

The Special Transportation Service ridership is expected to increase in FY2018. CATS is planning to upgrade the existing paratransit scheduling system to help manage the increased ridership.

	Ridership			Revenue Service Hours		
	<u>FY2017</u>	<u>FY2018</u>	<u>Variance</u>	<u>FY2017</u>	<u>FY2018</u>	<u>Variance</u>
Bus	17,935,661	16,719,735	(6.8%)	848,946	859,115	1.2%
Light Rail	4,935,863	11,961,322	142.3%	33,306	61,028	83.2%
Streetcar	522,574	522,574	0.0%	10,943	10,943	0.0%
Special Transportation Svc.	301,203	306,724	1.8%	145,735	148,406	1.8%
Vanpool	182,404	186,052	2.0%	28,276	28,842	2.0%
TOTAL	23,877,705	29,696,406	24.4%	1,067,206	1,108,334	3.9%

CATS PROGRAM PROFILES

CHIEF EXECUTIVE OFFICE

Sets strategic direction for the department and manages the overall operation and administration, including budgeting, training, coordinating with City Manager's office and support of the Metropolitan Transit Commission

BUS / STS / VANPOOL



Provides approximately 1 million hours and over 16 million miles of services to over 17 million passengers annually



FINANCE & PROCUREMENT

Manage all fiscal aspects and procurements for transit operations and capital projects including budget, grants, debt financing, revenue collections & financial reporting

LIGHT RAIL / STREETCAR



Projected to provide over 71,000 hours and over 1.2 million miles of service to over 12 million passengers annually



DEVELOPMENT

Responsible for planning and construction of transit projects including quality control and assurance of all project developments

FACILITIES



Manage and maintain light rail stations, park & ride lots, parking decks, bus garages, light rail facilities, transit centers, and bus stops



SAFETY & SECURITY

Responsible for safety & security of all CATS amenities, facilities and individuals that come in contact with CATS

CUSTOMER SERVICE, MARKETING & TECHNOLOGY



Manage public relations, customer service requests, trip planning assistance and technology for transit operations



HUMAN RESOURCE & CIVIL RIGHTS

Oversee compliance with federal, state & local guidelines to ensure fair and equal treatment of customers and employees

The City provides additional support to CATS through a City Cost Allocation Plan.

APPENDICES

Appendix 1 – Operating Budget Summary

Appendix 2 – Performance Objectives
Financial Performance Objectives
Balanced Scorecard

Appendix 3 – Staffing Summary

Appendix 4 – Operating
Operating Revenues
Operating Expenditures

Appendix 5 – Debt Service Summary

Appendix 6 – Community Investment Plan
CIP Revenues
CIP Expenditures

Appendix 7 – Other CIP Managed by CATS

Appendix 8 – Budget Schedule

Appendix 1 – Operating Budget Summary

		FY2016	FY2017	FY2017	FY2018
		<u>Actuals</u>	<u>Adopted Budget</u>	<u>Year End Projection</u>	<u>Recommended Budget</u>
Sales Tax Allocation					
A	Sales Tax Receipts	\$ 89,616,819	85,203,921	92,305,324	95,074,483
B	Sales Tax Trendline	72,951,655	76,504,963	81,998,000	84,704,000
A - B = C	Net Difference	16,665,164	8,698,958	10,307,324	10,370,483
D	Transfer to (from) Revenue Reserve	16,665,819	6,931,697	4,675,877	0
A - D = E	Sales Tax Available for Allocation	72,951,000	78,272,224	87,629,447	95,074,483
F	Transfer to Debt Service Fund	10,550,838	16,721,556	15,027,592	15,661,328
G	Transfer to Operating Fund (Operating Alloc)	62,400,162	61,550,668	66,970,408	69,042,672
H	Transfer to Control Account	0	0	5,631,447	10,370,483
F + G + H = I	Sales Tax Allocation to Other Funds	\$ 72,951,000	78,272,224	87,629,447	95,074,483
Operating Fund					
Operating Revenues					
	Sales Tax Operating Allocation	\$ 62,400,162	61,550,668	66,970,408	69,042,672
	Fares and Service Reimbursements	30,093,143	35,280,870	31,803,341	40,952,793
	Maintenance of Effort - Charlotte	20,106,177	20,709,362	20,709,362	21,330,643
	Maintenance of Effort - Mecklenburg	192,942	192,942	192,942	192,942
	Maintenance of Effort - Huntersville	18,567	18,566	18,566	18,566
	Operating Assistance	12,236,899	12,446,507	12,716,162	17,180,610
	Transfers from other funds	7,316,785	0	0	0
	Other (Advertising, Misc)	3,123,826	3,812,604	2,877,184	2,907,468
	Total Operating Revenues	\$ 135,488,501	134,011,519	135,287,965	151,625,693
Operating Expenditures					
	Transportation Services	\$ 119,079,102	131,216,905	131,192,861	143,455,301
	Transit Development	2,780,622	3,524,729	3,551,598	3,313,401
	Marketing and Communications	3,078,301	3,401,596	3,441,162	4,680,859
	Executive and Administration	7,135,364	8,179,535	8,917,144	9,122,776
	Subtotal	132,073,389	146,322,765	147,102,765	160,572,337
	Transfers to Eligible CIP Projects	(13,253,805)	(23,144,563)	(21,643,629)	(12,333,585)
	Total Net Operating Expense	118,819,584	123,178,202	125,459,136	148,238,753
	Transfer from Operating to CIP	17,110,464	10,833,317	9,828,829	3,386,941
	Total Operating Expenditures	\$ 135,930,048	134,011,519	135,287,965	151,625,693

Appendix 2 – Performance Objectives

Financial Performance Objectives

	FY2016 <u>Revised</u> <u>Budget</u>	FY2017 <u>Adopted</u> <u>Budget</u>	FY2017 <u>Year End</u> <u>Projection</u>	FY2018 <u>Recommended</u> <u>Budget</u>
SYSTEM SUBSIDY ≤ 80% of System Revenue	72.0%	68.3%	72.4%	70.4%
OPERATING RATIO (w/o Capital Interest)	28.1%	31.7%	27.6%	29.6%
PASSENGERS PER HOUR				
Bus ≥ 20 passengers per hour	21.64	22.88	21.13	20.32
Rail ≥ 90 passengers per hour	144.67	146.42	148.20	196.79
ADMINISTRATIVE OVERHEAD ≤ 15%	7.1%	7.0%	7.8%	8.2%
GROSS DEBT SERVICE COVERAGE > 3.0	6.98	5.30	5.78	5.73
NET DEBT SERVICE COVERAGE ≥ 1.15	1.30	1.85	1.98	1.64

FY2018 Balanced Scorecard

	Metric	Performance Goals
Customers	Net Promoter Score - Fixed Route	31%
	Net Promoter Score - Rail	31%
	Net Promoter Score - Paratransit	31%
	Overall Customer Satisfaction - Fixed Route	85%
	Overall Customer Satisfaction - Rail	88%
	Overall Customer Satisfaction - Paratransit	90%
	Customer Satisfaction with Vehicle Operators	85%
	Complaint Resolution	90%
	Customer Satisfaction with Call Center Interactions	85%
	Customer Satisfaction with Service Coverage	89%
Financial	Taxpayer Subsidy Percentage	< 80%
	% Debt Service Coverage Threshold (Net)	1.15x
	Operating Cost/Revenue Mile – Fixed Route	\$6.60
	Operating Cost/Revenue Mile – Rail	\$29.75
	Customers/Revenue Mile - Fixed Route	1.50
	Customers/Revenue Mile - Rail	10.00
	Customers/Revenue Mile - Paratransit	2.00
	Directly Generated Revenue	3%
Capital Program	Adherence to Asset Replacement Plan	80%
	Adherence to Asset Replacement Budget	90%
	Miles Between Breakdowns - Fixed Route	12,000
	Miles Between Breakdowns - Rail	5,000
	Vehicle Down Time	2
Employees	Employee Engagement	80%
	Employee Satisfaction	85%
	% of Employee Performance Goals Achieved	85%
	% of Employees Engaged in Professional Development	85%
	Customer Satisfaction with CATS Employees	85%
Stakeholder Engagement	Public Satisfaction with Management of the System	84%
	% of Public Aware of 2030 Plan	60%
	Public Satisfaction with 2030 Plan	85%

Appendix 3 – Staffing Summary

		FY2018 Staffing Levels						
		Non-BLE FTE's		BLE FTE's		TOTAL FTEs	Temps	Grant-Funded Term
		Approved in FY16	Approved in FY17	Approved in FY16	Approved in FY17			
*	BOD employees							
<u>Transportation Services</u>								
*	415010 BOD - Operations	649.00				649.00		
*	415011 BOD - Administration	14.00				14.00		
*	415012 BOD - Maintenance	178.00				178.00		
*	415013 BOD - STS Maintenance	9.00				9.00		
	415050 Special Transportation Services	109.75	6.00			115.75	10.00	
	411060 Treasury/Revenues	15.00	1.00		3.00	19.00		1.00
	412010 Transit Center Operations					0.00		
	415020 County Human Svc Trans					0.00		
	412020 Facilities	12.00			2.00	14.00		
	414020 Customer Svc & Information	20.00			1.00	21.00		
	416010 Light Rail Operations	49.00		9.00	33.00	91.00		
	416011 Light Rail Administration	9.00		1.00	4.00	14.00		
	416012 Light Rail Maintenance	39.00		19.00	10.00	68.00	6.00	
	416013 Maintenance of Way	14.00		6.00	32.00	52.00		
	416020 CityLYNX GoldLine	12.00	2.00			14.00		
	417010 Transit Security	12.00			5.00	17.00	1.00	2.00
	415001 Bus General Management	0.00	1.00			1.00		
	415030 Planning And Scheduling	12.00				12.00		
	415040 Van Pool Division	4.00				4.00		
<u>Transit Development</u>								
	413001 Development Administration	7.00				7.00		
	413002 Quality Assurance	6.00				6.00		
	413003 Engineering	0.00				0.00		
	413020 North/CGS Corridor	1.00				1.00		
	413050 Northeast Corridor Development	11.00				11.00		4.00
<u>Marketing & Communications</u>								
	414010 Marketing & Communications	12.00				12.00		1.00
	414030 Technology	10.00			1.00	11.00		2.00
<u>Executive & Administration</u>								
	411010 Administration Division	14.00			1.00	15.00	1.00	2.00
	411070 City Support Costs					0.00		
	411030 HR and Civil Rights	7.00				7.00		
	411040 Executive Division	2.00				2.00		
	411050 MTC & Committees Division					0.00		
	411020 Procurement Services	7.00			1.00	8.00		2.00
City Employees		384.75	10.00	35.00	93.00	522.75	18.00	14.00

Appendix 4 – Operating Budget

Operating Revenues

	FY2016	FY2017	FY2017	FY2018
	Actuals	Adopted Budget	Year End Projection	Recommended Budget
Service Passenger Fares				
Bus	\$ 21,019,476	22,349,023	19,811,880	19,102,796
Light Rail	3,907,008	7,156,615	6,045,473	14,709,733
Vanpool	551,919	828,269	828,269	568,477
Paratransit	828,859	964,741	943,497	960,791
SUBTOTAL	\$ 26,307,263	31,298,648	27,629,119	35,341,797
Service Reimb & Funding Partners				
Airport Connector Services	\$ 2,312,440	2,337,488	2,337,488	2,345,390
Fort Mill (WellsFargo) Rt 44 Carowinds	0	8,308	8,308	8,054
UNCC Shuttle	915,856	943,300	943,300	1,387,328
UNCC Pass Purchases	0	0	0	1,035,000
Union County Express 74x	99,936	99,890	99,890	110,888
Concord Express Commuter Bus	108,840	109,796	109,796	19,589
Rock Hill Express Commuter Bus	112,500	112,507	112,507	114,907
Gastonia Express Commuter Bus	88,308	146,135	146,135	93,220
Gastonia Mid-Day Service (100%) Cost	0	0	0	0
Carowinds (N&BS U MYEP)	0	41,070	41,070	37,596
Gold Rush	148,000	181,228	181,228	0
Concord Mills (LMS)	0	2,500	2,500	0
City of Charlotte (Employees)	0	0	0	35,000
Parking - BLE Decks	0	0	0	10,000
Parking - CGS	0	0	192,000	384,000
CPCC Levine Campus	0	0	0	30,024
SUBTOTAL	\$ 3,785,880	3,982,222	4,174,222	5,610,996
Service Income				
Charlotte Transit Center	\$ 426,412	1,109,979	500,000	452,468
Advertising	1,481,874	1,520,643	1,450,000	1,500,000
Interest Earned	351,515	700,000	362,060	372,922
Agreements/Leases	83,142	0	83,142	85,636
Miscellaneous	780,884	481,982	481,982	496,441
SUBTOTAL	\$ 3,123,826	3,812,604	2,877,184	2,907,468
Transfer from Other Funds				
Sales Tax Fund	\$ 62,400,162	61,550,668	66,970,408	69,042,672
Other Transfers	7,316,785	0	0	0
SUBTOTAL	\$ 69,716,947	61,550,668	66,970,408	69,042,672
Maintenance of Effort				
City of Charlotte	\$ 20,106,177	20,709,362	20,709,362	21,330,643
Mecklenburg County	192,942	192,942	192,942	192,942
Town of Huntersville	18,567	18,566	18,566	18,566
SUBTOTAL	\$ 20,317,686	20,920,870	20,920,870	21,542,151
Operating Assistance				
Federal CMAQ (for Service Expansions)	\$ 0	0	0	3,800,000
State Maintenance Assist. Prog. (SMAP)	10,733,608	10,700,000	10,700,000	10,700,000
Ride Share/NCDOT	0	213,150	126,000	126,000
City of Charlotte - GoldLine Phase 1	1,503,291	1,533,357	1,533,357	1,900,000
NCDOT (I-77 Mitigation)	0	0	295,000	531,000
Sugar Creek (I-77 Mitigation)	0	0	61,805	123,610
SUBTOTAL	\$ 12,236,899	12,446,507	12,716,162	17,180,610
TOTAL OPERATING REVENUES	\$ 135,488,501	134,011,519	135,287,965	151,625,693

Operating Expenditures

		FY2016	FY2017	FY2017	FY2018	FY2018
		Actuals	Adopted Budget	Year End Projection	Recommended Budget	Recommended Budget
		Net	Net	Net	Gross	Net
					<i>With BLE</i>	<i>With BLE</i>
<u>Transportation Services</u>						
415010	BOD - Operations	\$ 58,138,565	60,143,493	60,543,493	60,748,716	60,748,716
415011	BOD - Administration	2,010,379	2,259,568	2,259,568	2,302,688	2,302,688
415012	BOD - Maintenance	13,764,118	15,411,054	15,411,056	20,074,840	15,769,840
415013	BOD - STS Maintenance	861,159	856,134	856,133	1,051,993	676,993
415050	Special Transportation Svc	8,580,720	8,269,626	8,476,998	9,228,535	9,228,535
411060	Treasury/Revenues	967,747	1,265,679	1,409,449	1,754,120	1,576,717
412010	Transit Center Operations	974,807	1,109,138	1,109,138	1,131,321	1,131,321
415020	County Human Svc Transp	313,114	300,000	300,000	306,000	306,000
412020	Facilities	4,542,771	3,973,067	4,363,770	7,206,137	7,127,358
414020	Customer Svc & Information	1,465,354	2,083,326	2,082,002	2,201,388	2,188,691
416010	Light Rail Operations	6,112,838	5,334,551	4,716,308	10,740,439	9,964,426
416011	Light Rail Administration	1,037,296	1,292,079	1,612,265	2,342,858	2,142,318
416012	Light Rail Maintenance	1,655,905	817,538	458,520	5,737,077	5,183,824
416013	Maintenance of Way	1,665,443	1,407,925	1,745,906	5,552,729	4,801,664
416020	CityLYNX GoldLine	1,141,697	1,570,124	1,355,355	1,959,033	1,920,596
417010	Transit Security	5,479,727	6,261,590	6,649,212	8,711,645	8,534,153
415001	Bus General Management	0	0	212,262	222,033	222,033
415030	Planning And Scheduling	1,149,170	1,252,802	1,202,173	1,258,122	1,258,122
415040	Van Pool Division	570,023	959,683	956,179	925,627	925,627
		\$ 110,430,833	114,567,377	115,719,786	143,455,301	136,009,622
<u>Transit Development</u>						
413001	Development Administration	\$ 187,493	127,965	217,607	1,050,897	453,377
413002	Quality Assurance	258,564	208,096	221,632	632,841	413,419
413003	Engineering	23,831	46,608	46,608	47,497	47,497
413020	North/CGS Corridor	2,386	(45,606)	(34,191)	128,194	(43,040)
413050	Northeast Corridor Dev.	(102,877)	(507,827)	(410,776)	1,453,971	(379,282)
		\$ 369,398	(170,764)	40,880	3,313,401	491,972
<u>Marketing & Communications</u>						
414010	Marketing & Communications	\$ 1,224,340	1,523,635	1,557,582	1,924,371	1,607,097
414030	Technology	542,066	873,614	929,183	2,756,488	2,584,367
		\$ 1,766,405	2,397,249	2,486,765	4,680,859	4,191,464
<u>Executive & Administration</u>						
411010	Administration Division	\$ 966,391	892,164	1,817,864	2,914,774	1,823,532
411070	City Support Costs	3,849,066	3,765,237	3,765,237	3,840,542	3,840,542
411030	HR and Civil Rights	473,623	452,568	474,428	672,095	640,723
411040	Executive Division	584,855	769,147	625,656	676,949	676,949
411050	MTC & Committees Division	53,538	72,052	72,052	73,493	73,493
411020	Procurement Services	325,475	433,170	456,468	944,923	490,456
		\$ 6,252,947	6,384,338	7,211,705	9,122,776	7,545,695
Total Operating Expenditures		\$ 118,819,584	123,178,200	125,459,136	160,572,337	148,238,753

Appendix 5 – Debt Service Summary

		FY2016	FY2017	FY2017	FY2018
		<u>Actuals</u>	<u>Adopted Budget</u>	<u>Year End Projection</u>	<u>Recommended Budget</u>
REVENUES					
Transfers from Sales Tax	\$	10,550,838	16,721,556	14,867,592	15,661,328
Transfers from Other		6,790,068	0	0	0
Federal 5307 Formula Grant		0	2,909,000	2,909,000	2,909,000
Federal 5309 & State Grant for BLE		3,694,200	1,181,000	2,770,650	2,770,500
Interest Earned		35,085	0	35,000	0
TOTAL REVENUES	\$	<u>21,070,191</u>	<u>20,811,556</u>	<u>20,582,242</u>	<u>21,340,828</u>
EXPENDITURES					
Principal Payments Non-BLE	\$	4,600,000	4,655,000	4,600,000	4,825,000
Principal Payments BLE		0	0	0	0
Interest Payments Non-BLE		5,673,876	5,586,056	5,578,542	5,578,541
Interest Payments BLE		4,398,455	9,183,000	9,182,998	10,494,314
Other Fees		1,220,702	1,387,500	1,220,702	442,972
Other Debt Service		14,971,286		0	
TOTAL EXPENDITURES	\$	<u>30,864,320</u>	<u>20,811,556</u>	<u>20,582,242</u>	<u>21,340,828</u>

Appendix 6 – Community Investment Plan

		FY18 Recommended	FY19 Plan	FY20 Plan	FY21 Plan	FY22 Plan	Total FY18-FY22
CAPITAL REVENUES							
5307 Federal Formula	\$	17,254,083	16,906,388	19,236,079	20,237,922	21,757,889	95,419,361
5337 State of Good Repair		917,960	2,513,000	2,563,000	2,614,000	2,667,000	11,274,960
5339 Bus & Bus Facilities		3,488,755	1,911,000	1,939,000	1,969,000	1,998,000	11,305,755
5310 Enhanced Mobility		1,606,722	0	0	0	0	1,606,722
CMAQ		3,864,000	3,864,000	0	0	0	7,728,000
Dept of Homeland Security		250,000	250,000	250,000	250,000	250,000	1,250,000
State Technology Grant		0	180,000	180,000	180,000	180,000	720,000
BLE - 5309 Federal New Starts		100,000,000	74,235,000	0	0	0	174,235,000
BLE - State Match		25,000,000	25,000,000	25,000,000	25,000,000	16,328,000	116,328,000
Debt Proceeds		0	0	0	0	0	0
* Local Share		11,038,336	13,563,287	8,646,739	6,666,651	4,608,106	44,523,119
Total Capital Revenues	\$	163,419,856	138,422,675	57,841,818	56,917,573	47,788,995	464,390,917

* Local Share includes combination of Operating Balance, CATS Control Account, and Fund Balance

CAPITAL EXPENDITURE DETAILS

			FY18 Recommended	FY19 Plan	FY20 Plan	FY21 Plan	FY22 Plan	FY18-FY22 TOTAL
Transfer to Debt Service								
Debt Service Payments			2,909,000	2,909,000	2,909,000	2,909,000	2,909,000	14,545,000
1% for Amenities								
Bus Shelter Amenities	Facilities	Bus stops will be improved by installing paved boarding areas and appropriate passenger amenities (shelters and/or benches). Bus stop sign posts and bases will be installed to display bus route information and timetables. As a result of paving, bus stops will be improved to comply with ADA guidelines for transit facilities.	373,800	206,936	214,647	229,926	509,323	1,534,632
1% for Security								
1% for Security			214,647	206,936	214,647	229,926	234,323	1,100,479
Dept of Homeland Security Grant			250,000	250,000	250,000	250,000	250,000	1,250,000
Preventive Maintenance								
Bus Operations	Bus		4,305,000	4,305,000	4,305,000	4,305,000	4,305,000	21,525,000
Rail Ops	Rail		729,070	850,000	850,000	850,000	850,000	4,129,070
STS	STS		375,000	375,000	375,000	375,000	375,000	1,875,000
Facilities	Facilities		0	0	0	0	0	0
Asset Maintenance & State of Good Repair								
Engines & Transmission	Bus	Engine and transmission replacement for a fleet of approximately 315 revenue buses. Replace approximately 30 engines and 40 transmission annually	565,345	625,000	625,000	625,000	625,000	3,065,345

			FY18 Recommended	FY19 Plan	FY20 Plan	FY21 Plan	FY22 Plan	FY18-FY22 TOTAL
Vehicle Replacements- Fixed Route Bus	Bus	This CIP is for the replacement of revenue service vehicles that have reached the end of their useful life. Replacement buses are anticipated through FY22 as shown below. This number may be adjusted as the cost and configurations of buses are adjusted: FY18 – Approximately 16 buses FY19 – Approximately 22 buses FY20 – Approximately 20 buses FY21 – Approximately 23 buses FY22 – Approximately 25 buses	9,881,247	12,429,560	10,059,148	11,922,297	11,572,710	55,864,962
STS Revenue Bus Replacement	STS	This CIP is for the replacement of revenue service vehicle that have reached the end of their useful life. Replacement buses are anticipated through FY22 as shown below. This number may be adjusted as the cost and configuration of buses are adjusted. FY18 – 20 buses FY19 – 17 buses FY20 – 21 buses FY21 – 21 buses FY22 – 21 buses	2,042,524	1,835,760	2,157,960	2,181,600	2,122,195	10,340,039
Vanpool Vehicle Replacement	Vanpool	This request is for the purchase of new vehicles to replace the aging vans in CATS fleet. By meeting these replacement demands, CATS Vanpool will be able to continue providing safe, reliable and efficient vehicles for the commuting public in the Charlotte-Metro Region.	0	435,468	0	478,518	0	913,986
Mobile Application Phase II	Marketing	Phase II of the project will upgrade or replace the current static CATS mobile solution for transit information. This enhanced rider information will be accomplished by providing real-time information such as bus routes, alerts, rail parking and other information. In addition, this phase will provide a means to present focused marketing ads to the riders and allows CATS to provide ads based on the riders geographical locations.	180,000		0	0	0	180,000



APPENDICES

			FY18 Recommended	FY19 Plan	FY20 Plan	FY21 Plan	FY22 Plan	FY18-FY22 TOTAL
Mobile Video Replacement	Marketing	The bus video system will need to be upgraded due to the Verint vendor sun setting on all mobile video equipment and removing support after 2018. CATS is currently under contract for mobile video.	750,000	1,200,000	1,200,000	1,200,000	1,200,000	5,550,000
Exhaust Fan & Heating Replacements	Facilities	Replace the exhaust fans in the Maintenance Building. Upgrade / replace Boilers & pumps at the S Tryon Maintenance Bldg. R&R Gas fired heaters in the FF&W & P&B buildings. Replace the Electric heaters in the FF&W& P&B Bldg. R&R the VAV boxes & the air handler in the administration Bldg.	0	0	212,872	0	0	212,872
HASTUS Scheduling System Upgrade	Marketing		530,964	0	0	0	0	530,964
Fare Collection System Replacements	Marketing		1,144,949	0	0	0	0	1,144,949
Signal House Lighting Protection	Rail	Need for lighting protection for TPSS/Signal Houses; Need to check for HI-LO temperature in TPSS to ensure equipment in the TPSS do not overheat. Currently the TPSS doesn't or can't do this and must be completed.	282,823	0	0	0	0	282,823
Light Rail Vehicle Overhaul	Rail	The S70 overhaul program will cover the overhaul and upgrades of systems and sub-system of the Light Rail Vehicle. This project includes the Truck overhaul program which covers the OEM recommended services in 5 year intervals for the Power and Center trucks.	0	1,000,493	1,685,454	3,267,500	3,333,750	9,287,197
Non-Revenue Vehicle Replacement	Safety		0	0	0	0	0	0
Transit Center Camera Upgrade	Marketing	Upgrade the cameras used for security monitoring at the CTC. This will also require upgrades of the Video Recorders and network infrastructure.	465,094	0	0	0	0	465,094
UPS Equipment Upgrade	Rail	Need for Blue Line system upgrade to be able to work/communicate with the Blue Line Extension project and must be done. Additional need is to replace the current UPS and inverters for all 15 communications cabinet on the Blue Line. The current UPS and inverters for all 15 communications cabinet have a life expectancy of 8 years. They are at the end of life and must be replaced.	2,312,500	1,870,861	205,195	0	0	4,388,556

			FY18 Recommended	FY19 Plan	FY20 Plan	FY21 Plan	FY22 Plan	FY18-FY22 TOTAL
Track 4 Fall Protection & Wheel True Ventilation Improvement	Rail	The fall protection and wheel true ventilation project are required to address safety concerns revealed during the course of providing maintenance to the LRV fleet. The enhancements will address safety concerns identified, but not fund to facilitate. Track 4 project is to install fall protection on Track #4 to allow maintenance personnel to perform required preventive maintenance from the mezzanine on the LRV from the track #4. Wheel true ventilation will design and install ventilation for the wheel truing pit and remove all gases and fume away from the area (produced during the cutting of wheels) and wheel truing machine area	325,440	223,039	0	0	0	548,479
Drainage Repairs	Rail	This is a CIP request to provide a new drainage system throughout the alignment on the existing Blue Line. The previous drainage system is washing a lot of debris and trash into CATS track and will eventually cause lost signals along the rail. This CIP request is to allow for improvement over a 4 year period to complete all the required new drainage systems along the existing Blue Line.	367,202	269,896	365,896	365,896	0	1,368,890
Track Reprofile & Realignment	Rail	It is necessary to do the track reprofile for the tracks every 3 years. The tracks will move, settle, shift, and requirement additional ballast. This CIP request will allow for this occur. The existing Blue Line is in dire need to complete this process. This CIP will more than double because of the addition of the Blue Line Extension project. This will double the length of the tracks that CATS Rail will have to maintain.	393,672	0	753,672	0	500,000	1,647,344
Maintenance of Way Civil	Rail	This project is to provide various civil engineering services for the Blue Line infrastructure. Funds will be used to survey, locate the buried ballast inlet along the Blue Line; adjust the inlet for easy access and maintenance/clean out; repair drainage areas throughout the Blue Line to prevent debris/trash from getting washed into the ballast.	631,202	638,441	650,000	0	1,200,000	3,119,643



APPENDICES

			FY18 Recommended	FY19 Plan	FY20 Plan	FY21 Plan	FY22 Plan	FY18-FY22 TOTAL
State Technology Grant			0	200,000	200,000	200,000	200,000	800,000
STS Automatic ADA Scheduling System	STS	The software is a mobility management tool that allows users to provide solution to customers who depend on public transportation. One of several solutions that the software provides is solutions for demand response and paratransit service request.	547,000	0	0	0	0	547,000
New Equipment								
STS Bus Expansion	STS	This CIP Request is for expansion revenue buses to keep up with ridership request demand through FY22. Ridership requests will not level out due to the baby boom generation aging which comes with debilitating conditions. Twenty (20) expansion buses are anticipated through FY22. This number may be adjusted as the percent of annual ridership increases.	0	0	213,107	342,636	352,913	908,656
Non-Revenue Vehicle New Purchase	Safety		0	0	0	0	0	0
MOW New Equipment	Rail	Need equipment due to increased area of responsibility to maintain the Blue Line Extension light rail.	0	0	369,647	129,647	129,647	628,941
2030 Transit Corridor System Plan								
BLE	Development		129,000,000	106,735,000	29,000,000	26,000,000	16,328,000	307,063,000
Red Line Mobility Study	Development		0	0	0	0	0	0
Red Line LPA Study	Development		1,500,000	780,000	0	0	0	2,280,000
Airport/Center City LPA Study	Development		1,125,000	1,000,000	0	0	0	2,125,000
2030 System Plan / Infrastructure			250,000	0	780,000	780,000	780,000	2,590,000
Other								
Enhanced Mobility			1,606,722	0	0	0	0	1,606,722
Contingency for Capital Program			361,655	76,285	245,573	275,627	12,134	971,274
TOTALS			163,419,856	138,422,675	57,841,818	56,917,573	47,788,995	464,390,917

Appendix 7 – Other Capital Projects Managed by CATS

CHARLOTTE GATEWAY STATION

ANNUAL SOURCES & USES (\$000s)		FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Project Uses							
Engineering/Design	8,905	4,150	1,638	1,103	1,136	878	-
ROW/Land Acquisition	-	-	-	-	-	-	-
Construction	47,204	105	6,929	13,172	16,338	10,660	-
DTIs/ MOUs/Legal (COC)	-	-	-	-	-	-	-
Management & Agreements	2,766	506	524	546	562	579	50
Project Administration Costs (COC)	1,755	325	334	344	355	365	31
Project Contingency	9,363	-	2,394	2,466	2,540	1,962	-
Other Soft Costs/Soft costs to include financing	200	100	100	-	-	-	-
Project uses	70,193	5,186	11,920	17,631	20,931	14,444	81
Project Sources							
STP-DA Engineering grant disbursements	9,500	4,148	5,352	-	-	-	-
STP-DA Construction grant disbursements	5,500	-	4,184	1,316	-	-	-
TIGER grant disbursements	25,000	-	-	12,789	12,211	-	-
STI grant disbursements	27,000	-	-	-	-	27,000	-
City of Charlotte contribution / (reimbursement)	3,193	1,037	2,384	3,526	8,720	(12,556)	81
Project sources	70,193	5,186	11,920	17,631	20,931	14,444	81
Cumulative City of Charlotte contribution		1,037	3,421	6,947	15,667	3,112	3,193

CityLYNX GoldLine Phase II

Description	FY18 Recommended	FY19 Plan	FY20 Plan	FY21 Plan	FY22 Plan	Total FY18-FY2022
The CityLYNX Gold Line Phase 2 project consists of the design and construction of approximately 2.5 miles of double-track in street running streetcar line. The Project will be an extension of the approximately 1.5 mile CityLYNX Gold Line Phase 1 project recently completed in July 2015. The extension will result in approximately 4 mile long double-track streetcar system through Center City Charlotte. The project is being funded by a Federal Small Starts Grant for \$74,999,999 and with a local match of \$75 million funded by the City of Charlotte. Construction is scheduled to start in early 2017 and to be completed by August 2020.	64,917,696	42,914,910	18,097,266	15,949,595	-	141,879,467

Appendix 8 – FY2018 Budget Schedule

Month	Date	Present/Deliver To	Details
Jan	23	City S&B Department	Preliminary SOP CIP Request Memo
	25	Metropolitan Transit Commission (MTC)	CEO Recommended Budgets: Overview Recommended Operating Budget Debt Service Budget Community Investment Plan (CIP)
Feb	1	City S&B Department	Budget Committee Material Due
	6 – 17	City Manager	Overview of CATS Budget
	9	City Council	Budget Committee Meeting
	13	City S&B Department	Council Budget Workshop Materials Due
	21	CTAG	CEO Recommended Budgets: Overview Recommended Operating Budget Debt Service Budget Community Investment Plan (CIP)
	22	Charlotte City Council Budget Workshop	CATS CEO Presentation: Overview of CATS Operating Budget & 5-Year CIP
	22	Metropolitan Transit Commission (MTC)	Review/Discussion Impact Of New Fareboxes Ridership/Revenue/Average Cost Per Rider BLE Revenue Service New Bus Programs MTC Requests

Mar	9	TSAC	CEO Recommended Budgets: Overview Recommended Operating Budget Debt Service Budget Community Investment Plan (CIP)
	21	CTAG	Review/Discussion Impact Of New Fareboxes Ridership/Revenue/Average Cost Per Rider BLE Revenue Service New Bus Programs
	22	Metropolitan Transit Commission (MTC)	Review/Discussion Balanced Scorecard Alternatives Analysis & Goals CGS-Rail & CityLYNX GoldLine Phase II MTC Requests
Apr	18	CTAG	Review/Discussion Balanced Scorecard Alternatives Analysis & Goals CGS-Rail & CityLYNX GoldLine Phase II Recommendation To MTC
	26	Metropolitan Transit Commission (MTC)	MTC Approve & Adopts Budget
May	8	Charlotte City Council	Approval/Authorize Inclusion in City Budget Recommended Operating Budget Debt Service Budget Community Investment Plan (CIP)
Jun	12	Charlotte City Council	Adopt Budget

RESOLUTION
No. 2017-01

ADOPTION OF THE FY2018 TRANSIT OPERATING BUDGET, FY2018 TRANSIT DEBT SERVICE BUDGET AND FY2018-2022 COMMUNITY INVESTMENT PLAN

A motion was made by _____ and seconded by _____ for the adoption of the following resolution, and upon being put to a vote was duly adopted by the Metropolitan Transit Commission (MTC).

WHEREAS, The Amended Transit Governance Interlocal Agreement (11-28-2005) provides that the Chief Transit Official shall submit to the MTC by January 30 of each year a proposed transit budget and program delineating the public transit services, activities and programs to be undertaken in the upcoming fiscal year starting July 1, and the financial resources required to carry out the services, activities and programs, and

WHEREAS, the Chief Transit Official provided budget and program recommendations to the MTC on January 25, 2017, which have been developed in compliance with CATS Mission, Vision, Strategic Goals and Financial and Fare Policies, and

WHEREAS, the Chief Transit Official's recommended budgets and programs have been reviewed by the Citizens Transit Advisory Group and the Transit Services Advisory Committee in accordance with the provisions of the Transit Governance Interlocal Agreement and the Metropolitan Transit Commission Rules of Procedures, and

WHEREAS the Metropolitan Transit Commission has reviewed the recommended FY2018 Transit Operating and Debt Service Budgets and Programs and the FY2018-2022 Community Investment Plan and Projects to determine the transit program plans for meeting transportation needs of the Charlotte-Mecklenburg community,

NOW THEREFORE, be it resolved that the Metropolitan Transit Commission hereby

1. Approves the FY2018 Transit Operating Budget, the FY2018 Transit Debt Service Budget and the FY2018-2022 Transit Community Investment Plan (attached to this Resolution)
2. Authorizes Chief Transit Official to present the FY2018 Transit Operating Budget, the FY2018 Debt Service Budget and the FY2018-2022 Community Investment Plan to the Charlotte City Council for their review, approval and inclusion in the City of Charlotte's FY2018 Budget Ordinance.

This resolution shall take effect immediately upon its adoption.

I, Jennifer Roberts, Chairman of the Metropolitan Transit Commission do hereby certify that the above Resolution is a true and correct documentation of the MTC's action from their meeting duly held on April 26, 2017.

Signature of MTC Chairperson

**METROPOLITAN TRANSIT COMMISSION
ACTION ITEM
STAFF SUMMARY**

**SUBJECT: Letter to Congressional Delegation on
President's Budget**

DATE: March 22, 2017

1.0 PURPOSE/SCOPE: In March 2017 the Trump Administration released it proposed 2018 budget: *America First: A Budget Blueprint to Make America Great Again*. The budget proposes cuts to U.S. Department of Transportation totaling \$2.4 billion or 13 percent decrease from 2017. CATS is committed to completing the 2030 Transit Corridor System Plan. The MTC discussed at the March 29, 2017 meeting that the plan cannot move forward without the federal government as a funding partner.

2.0 BACKGROUND: The cuts that would directly impact CATS follows:

- Limits funding for the Federal Transit Administration's Capital Investment Program (New Starts) to projects with existing full funding grant agreements only. Future investments in new transit projects would be funded by the localities that use and benefit from these localized projects.
- Eliminates funding for the unauthorized TIGER discretionary grant program, which awards grants to projects that are generally eligible for funding under existing surface transportation formula programs.

CATS has written a letter on behalf of the MTC that expresses the importance of federal investments in local transit projects and how those investments have benefited the citizens of the Charlotte community.

3.0 PROCUREMENT BACKGROUND: Not Applicable

4.0 POLICY IMPACT: Not Applicable

5.0 ECONOMIC IMPACT: Not Applicable

6.0 ALTERNATIVES: Not Applicable

7.0 RECOMMENDATIONS: Approval and signature of recommended letter to Congressional Delegation

8.0 ATTACHMENT: Letter to Congressional Delegation on President's Budget

SUBMITTED AND RECOMMENDED BY:

A handwritten signature in black ink, appearing to read "John M. Lewis, Jr.", written in a cursive style.

John M. Lewis, Jr.
Chief Executive Officer, Charlotte Area Transit System
Director of Public Transit, City of Charlotte

METROPOLITAN TRANSIT COMMISSION

Mayor Jennifer Roberts,
Chairman
Charlotte, NC

April 26, 2017

Mayor John Woods,
Vice Chair
Davidson, N.C.

Dear Senator/Congressman:

Chairman Ella Scarborough
Mecklenburg County
Board of Commissioner

The Federal Transit Administration (FTA) Capital Investment Grants (CIG) program is critical to States with transit investments either already constructed or contemplated that generate regional economic benefits, attract businesses to the project corridor, and provide important mobility benefits to our citizens. Further, the benefits of a project extend well beyond the project corridor as nearly 73 percent of the funds from the CIG program flow directly to the private sector via manufacturers, suppliers and service firms located in virtually every Congressional District in the US. The American Public Transportation Association (APTA) states that, "for every \$1 billion invested in public transportation, 50,000 jobs are created."

Dena Diorio
Mecklenburg County

Mayor Chuck Travis
Cornelius, N.C.

Here in Charlotte/Mecklenburg, we are on our way to completing the 2030 Transit Corridor System Plan and it is vitally important that we can continue to count on our partners at the federal level.

Mayor John Aneralla
Huntersville, N.C.

Mayor James Taylor
Matthews, N.C.

- The LYNX Blue Line light rail corridor funded by the New Starts Program will reach its 10th Year of revenue service in November of 2017. This critical investment provides mobility options to over 16,000 people daily and has spurred over \$1.5 billion in new development along the South Boulevard Corridor.
- The LYNX Blue Line Extension (BLE) funded under the New Starts Program will provide an additional 9.3 miles of light rail connecting uptown Charlotte with the UNC-Charlotte campus. The BLE will open by March 2018 and remains under budget. We estimate an additional 20,000 riders a day and similar development benefits along the extended corridor.
- Phase One of the CityLYNX GoldLine Streetcar opened in July of 2015 and provides over 1,500 rides each day and Phase Two connecting Uptown Charlotte with Johnson C. Smith University is under construction.
- The Charlotte Gateway Station funded, in part, by \$30 million in TIGER funds will construct the necessary rail infrastructure to allow separation of freight and passenger rail that will enable Amtrak passenger rail service to be moved to Uptown Charlotte. Phase One of the project is in final design and construction bids will go out this fall.

Mayor Ted Biggers
Mint Hill, N.C.

Mayor Jack Edwards
Pineville, N.C.

Tracy Dodson
NC DOT Board

CATS is currently conducting corridor studies to connect Uptown Charlotte with Charlotte-Douglas International Airport and the Red Line Rail Corridor serving our Northern Mecklenburg Towns.

Additionally, funding the CIG program at no less than the Fixing America's Surface Transportation (FAST) Act funding levels is critical for FY17 and FY18 and any funds



www.ridetransit.org
600 East Fourth Street
Charlotte, NC 28202
PH: 704-336-6917
FAX: 704-353-0797

METROPOLITAN TRANSIT COMMISSION

appropriated should be made available for their respective fiscal year only. Voters in states and metropolitan areas including Charlotte have stepped up to bear an increasing share of the burden of the cost of capital construction with nearly 55 % of the capital monies and all of the operating monies coming from non-federal funding sources. The partnership that this has created at the Federal, State and local levels is vital to our continued success.

We appreciate your continued support of this important transportation and economic development program.

Sincerely,

Jennifer Roberts
Chairman, Metropolitan Transit Commission
Mayor, City of Charlotte

cc: Metropolitan Transit Commission



www.ridetransit.org
600 East Fourth Street
Charlotte, NC 28202
PH: 704-336-6917
FAX: 704-353-0797

**METROPOLITAN TRANSIT COMMISSION
ACTION ITEM
STAFF SUMMARY**

SUBJECT: June 2017 Service Adjustments

DATE: April 27, 2017

1.0 PURPOSE/SCOPE: The purpose of this action item is to seek the Metropolitan Transit Commission's (MTC) approval of the proposed changes to routes 591 Archdale-Airport Connector, 60 Tyvola Road, 77X North Meck Express and 48X Huntersville Express.

2.0 BACKGROUND/JUSTIFICATION: Federal Transit Administration requirements call for board approval for any major service adjustment, defined as any adjustment that affects more than 25% of a bus route or 25% of the passengers on that bus route.

CATS staff is proposing to make service adjustments in two areas that meet the definition of a major service adjustment. Route 591 Archdale-Airport Connector is a bus route that is funded by Charlotte-Douglas Airport, providing service between the LYNX Blue Line and the Airport. CATS staff has worked with Airport staff to develop a cost effective manner to provide that service. The adjustment will result in discontinuation of route 591, and will affect 25% of the Tyvola Road route structure. CATS is introducing a new park and ride lot to the Cornelius area. Providing service to that park and ride lot will require adjustments to routes 77X North Mecklenburg Express and 48X Huntersville Express. The adjustments will affect 25% of the 77X and 48X.

CATS staff has discussed these route adjustments with riders, and has conducted an equity analysis regarding the proposed changes.

3.0 PROCUREMENT BACKGROUND: Not Applicable.

4.0 POLICY IMPACT: No policy impacts are expected as a result of these route adjustments.

5.0 ECONOMIC IMPACT: The Airport subsidy to CATS for route 591 would be reduced by approximately \$842,000 annually, but will be offset by an equal reduction in operating expense.

6.0 ALTERNATIVES:

1. Modify specific elements of the proposed changes
2. Do not adopt the proposed changes, even though Airport subsidies will be reduced

7.0 RECOMMENDATION: Staff recommends that MTC approve the route changes as presented.

8.0 **ATTACHMENT(S)**: Not Applicable.

SUBMITTED AND RECOMMENDED BY:

A handwritten signature in black ink, appearing to read 'John M. Lewis, Jr.', written in a cursive style.

John M. Lewis, Jr
Chief Executive Officer, Charlotte Area Transit System
Director of Public Transit, City of Charlotte

**METROPOLITAN TRANSIT COMMISSION
INFORMATION ITEM
STAFF SUMMARY**

SUBJECT: North Corridor Mobility Study

DATE: April 26, 2017

1.0 PURPOSE/SCOPE: To capitalize on the I-77 express lane opportunity, CATS is conducting a North Corridor Mobility Study that started with the following goals:

- Enhance the existing express service to mitigate the effects of the I-77 express lane construction.
- Develop an expanded express bus operating plan that maximizes the benefits of the I-77 express lanes.
- Identify capital improvements such as park and rides and bus stop amenities.
- Incorporate recommendations into the Envision my Ride

Monthly project team meetings have been conducted since November 2016. Thus far the meetings have focused on the development of express bus routing/frequency and potential park and ride recommendations. In addition to the original study goals the project team identified the below goals that are directing the course of this study:

- Leverage express lanes at 2018 opening
- By July 2017 develop two express route network scenarios that:
 - Find efficiencies and improvements within the current service levels.
 - Develop aspirational network that increases coverage area and service levels.
- Coordinate route planning and bus stop capital needs with developers and towns.
- Develop park and ride recommendations to maximize use of direct connects.
- Expand travel market.
- Work with Iredell county and iCATS to implement a regional express route.
- Develop a conceptual enhanced bus service with additional capital needs.

2.0 BACKGROUND/JUSTIFICATION: The I-77 Express Lanes project will provide CATS the opportunity to deliver a higher level of mobility options to the North Corridor. In order to better understand North Corridor transit operating and capital needs, a project team was developed that includes staff from CATS, Huntersville, Cornelius, Davidson, iCATS, Troutman, Mooresville, and Statesville. This team met in Huntersville in August 2016 to develop the scope and goals of the North Corridor Mobility Study.

3.0 PROCUREMENT BACKGROUND: N/A

4.0 POLICY IMPACT: N/A

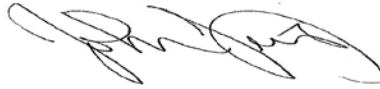
5.0 ECONOMIC IMPACT: N/A

6.0 ALTERNATIVES: N/A

7.0 **RECOMMENDATION:** N/A

8.0 **ATTACHMENT(S):** N/A

SUBMITTED AND RECOMMENDED BY:

A handwritten signature in black ink, appearing to read "John M. Lewis, Jr.", written in a cursive style.

John M. Lewis, Jr
Chief Executive Officer, Charlotte Area Transit System
Director of Public Transit, City of Charlotte

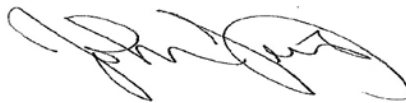
**METROPOLITAN TRANSIT COMMISSION
INFORMATION ITEM
STAFF SUMMARY**

SUBJECT: CATS Fleet Design

DATE: April 26, 2017

- 1.0 PURPOSE/SCOPE:** To present graphic designs of extending the LYNX exterior vehicle branding design across the entire CATS fleet to promote a single image across all service vehicles.
- 2.0 BACKGROUND:** The bus, para-transit and vanpool service vehicles' branded designs occurred in early 1999 nearly a decade before the LYNX service started. With the purchase of the new streetcar vehicles and a need for an exterior design for those vehicles, it became apparent the need to consolidate the exterior branding designs across all revenue service vehicles.
- 3.0 PROCUREMENT BACKGROUND:** Not Applicable
- 4.0 POLICY IMPACT:** Not Applicable
- 5.0 ECONOMIC IMPACT:** Updates to vehicles will occur as the existing fleet is replaced through the normal fleet plan process.
- 6.0 ALTERNATIVES:**
Not Applicable
- 7.0 RECOMMENDATIONS:** Not Applicable
- 8.0 ATTACHMENT:**

SUBMITTED AND RECOMMENDED BY:



John M. Lewis, Jr.
Chief Executive Officer, Charlotte Area Transit System
Director of Public Transit, City of Charlotte

Local Government Sales and Use Tax
for Public Transportation
Article 43

Cash Basis Report as of: 4/17/2017
Month Receiving: April 2017
Month Reported: February 2017
Retail Sales for: January 2017

FY2017	Population	% of Total	Calendar Year 2016						Calendar Year 2017						FY2017
			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
Charlotte	818,480	40.59%	3,234,824.41	3,165,359.56	3,565,748.67	2,728,020.81	3,296,908.40	3,287,284.82	2,834,616.08	3,358,536.70	4,028,998.85	2,087,190.83	0.00	0.00	31,587,489.14
Cornelius	29,431	1.46%	114,915.12	112,447.43	126,671.00	96,911.24	118,550.62	118,204.57	101,927.46	120,766.66	144,875.21	75,051.45	0.00	0.00	1,130,320.76
Davidson	12,353	0.61%	48,317.50	47,279.93	53,260.41	40,747.54	49,758.95	49,613.71	42,781.76	50,689.09	60,808.11	31,501.16	0.00	0.00	474,758.15
Huntersville	55,602	2.76%	216,708.01	212,054.41	238,877.36	182,756.12	223,969.68	223,315.92	192,564.66	228,156.29	273,702.95	141,789.64	0.00	0.00	2,133,895.04
Matthews	30,359	1.51%	120,834.01	118,239.22	133,195.40	101,902.81	122,288.68	121,931.73	105,141.37	124,574.60	149,443.33	77,417.93	0.00	0.00	1,174,969.08
Mint Hill	26,112	1.29%	102,489.47	100,288.60	112,974.20	86,432.33	105,181.40	104,874.38	90,432.87	107,147.53	128,537.31	66,587.73	0.00	0.00	1,004,945.82
Pineville	8,725	0.43%	34,329.58	33,592.39	37,841.52	28,951.13	35,145.06	35,042.47	30,217.02	35,802.01	42,949.14	22,249.46	0.00	0.00	336,119.78
Mecklenburg County	1,035,605	51.35%	4,079,603.55	3,991,997.85	4,496,949.17	3,440,447.45	4,171,506.72	4,159,330.22	3,586,578.27	4,249,483.68	5,097,804.90	2,640,877.31	0.00	0.00	39,914,579.13
Total	2,016,667	100.00%	7,952,021.67	7,781,259.38	8,765,517.71	6,706,169.44	8,123,309.51	8,099,597.82	6,984,259.49	8,275,156.56	9,927,119.81	5,142,665.52			77,757,076.91

FY2017 Budget	85,203,921	
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% of Budget Achieved	9.3%	18.5%	28.8%	36.6%	46.2%	55.7%	63.9%	73.6%	85.2%	91.3%					91.3%
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Monthly Variance - Current Year vs Prior Year	31.3%	3.4%	12.9%	-10.2%	16.5%	7.3%	12.9%	25.2%	5.8%	-16.3%					
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FY2016	6,057,389.20	7,522,357.00	7,762,100.76	7,470,371.00	6,971,746.44	7,551,676.98	6,188,499.27	6,607,520.25	9,383,261.20	6,142,552.22	6,944,203.67	7,858,189.28	86,459,867.27
FY2015	5,451,931.53	6,786,194.26	8,266,179.57	6,087,773.72	6,938,944.86	5,932,063.05	7,114,002.61	6,853,208.62	8,378,347.26	5,947,800.63	5,641,898.28	6,914,522.80	80,312,867.19

Metropolitan Transit Commission
Charlotte Area Transit System Ridership Report
Mar-17

Mode / Service	Mar-17	Mar-16	Percent Increase/Decrease	YTD FY 2017	YTD FY 2016	Percent Increase/Decrease	Avg Daily Ridership per Month		
							WeekDay	Saturday	Sunday
Local									
BOD Local	1,240,964	1,291,301	-3.9 %	10,731,215	11,442,790	-6.2 %	45,932	28,741	17,396
Subtotal	1,240,964	1,291,301	-3.9 %	10,731,215	11,442,790	-6.2 %	45,932	28,741	17,396
Local Express									
Arboretum Express	5,063	5,778	-12.4 %	44,070	46,574	-5.4 %	219	-	4
Carmel Road Express	1,384	1,935	-28.5 %	12,874	15,520	-17.0 %	60	-	-
Harrisburg Road Express	4,750	4,204	13.0 %	35,584	37,861	-6.0 %	206	-	-
Huntersville Express	9,164	9,662	-5.2 %	71,572	80,573	-11.2 %	398	-	-
Idlewild Road Express	3,084	2,957	4.3 %	25,232	24,725	2.1 %	134	-	-
Independence Blvd Express	5,964	5,752	3.7 %	44,679	46,094	-3.1 %	259	-	-
Lawyers Road Express	4,374	4,413	-0.9 %	34,343	34,295	0.1 %	190	-	-
Matthews Express	4,843	5,067	-4.4 %	38,811	42,002	-7.6 %	210	-	6
Mountain Island Express	1,607	1,706	-5.8 %	12,828	14,467	-11.3 %	70	-	-
Northlake Express	5,778	4,452	29.8 %	46,201	32,567	41.9 %	251	-	-
North Mecklenburg Express	16,487	15,705	5.0 %	132,893	130,154	2.1 %	715	10	-
Rea Road Express	3,045	3,272	-6.9 %	25,483	26,255	-2.9 %	132	-	-
Steele Creek Express	2,538	2,254	12.6 %	21,431	20,131	6.5 %	110	-	-
University Research Park Express	11,490	11,983	-4.1 %	101,902	101,122	0.8 %	497	-	14
Airport Connector - Northlake	6,078	6,693	-9.2 %	55,421	48,470	14.3 %	204	184	164
Airport Connector - Archdale	4,663	3,808	22.5 %	42,989	42,012	2.3 %	157	143	122
Subtotal	90,312	89,641	0.7 %	746,313	742,822	0.5 %	3,812	337	310
Regional Express									
Concord Express	2,786	3,200	-12.9 %	21,786	30,278	-28.0 %	121	-	-
Gastonia Express	3,614	3,754	-3.7 %	28,569	30,179	-5.3 %	157	-	-
Rock Hill Express	3,246	3,325	-2.4 %	25,743	26,634	-3.3 %	141	-	-
Union County Express	2,874	3,261	-11.9 %	23,525	25,455	-7.6 %	124	-	6
Subtotal	12,520	13,540	-7.5 %	99,623	112,546	-11.5 %	543	-	6
Community Circulator									
Neighborhood Shuttles	114,961	110,191	4.3 %	935,789	918,681	1.9 %	5,769	1,490	625
North Meck Village Rider	8,924	9,370	-4.8 %	75,978	80,906	-6.1 %	335	204	104
Beatties Ford Neighborhood Shuttle	17,158	18,133	-5.4 %	142,018	145,345	-2.3 %	672	347	75
Eastland Neighborhood Shuttle	19,971	22,959	-13.0 %	176,453	203,161	-13.1 %	718	514	354
Pineville-Matthews Road	5,068	5,425	-6.6 %	43,613	45,346	-3.8 %	204	94	-
Subtotal	166,082	166,078	0.0 %	1,373,851	1,393,439	-1.4 %	7,698	2,649	1,158
Activity Center Circulators									
Gold Rush	23,112	25,411	-9.0 %	180,272	234,269	-23.0 %	1,005	-	-
Subtotal	23,112	25,411	-9.0 %	180,272	234,269	-23.0 %	1,005	-	-



Metropolitan Transit Commission
Charlotte Area Transit System Ridership Report

Mar-17

Mode / Service	Mar-17	Mar-16	Percent Increase/Decrease	YTD FY 2017	YTD FY 2016	Percent Increase/Decrease	Avg Daily Ridership per Month		
							WeekDay	Saturday	Sunday
Human Services Transportation									
Special Transportation Services	22,699	26,615	-14.7 %	204,587	221,279	-7.5 %	896	301	224
DSS	552	744	-25.8 %	4,602	6,341	-27.4 %	24	-	-
Subtotal	23,251	27,359	-15.0 %	209,189	227,620	-8.1 %	920	301	224
Rideshare Services									
Vanpool	14,076	15,732	-10.5 %	122,568	143,662	-14.7 %	612	-	-
Subtotal	14,076	15,732	-10.5 %	122,568	143,662	-14.7 %	612	-	
Rail									
LYNX Blue Line	400,170	424,345	-5.7 %	3,598,568	3,631,819	-0.9 %	14,782	10,153	4,896
CityLynx Gold Line	40,642	41,379	-1.8 %	326,758	352,384	-7.3 %	1,575	802	299
Subtotal	440,812	465,724	-5.3 %	3,925,326	3,984,203	-1.5 %	16,357	10,955	5,195
Total	2,011,129	2,094,786	-4.0 %	17,388,357	18,281,351	-4.9 %	76,879	42,983	24,289

